

I am sure that when the honourable member drafted the question he did it mischievously. How would it be possible to list specifically all the consequences which a Bill, which has not yet become law, will have?

Reference was made in the second reading speech to the fact that there is an opinion abroad that the Commonwealth Bill, when it was introduced, would have some adverse effects. I can do no better than refer the honourable member to articles which appeared in newspapers.

Mr Bertram: The Minister is contradicting what he said in the answer to the question.

Mr O'NEIL: The interjection from the honourable member is beyond me, as is quite a lot of what he says. Anyone who read the question would realise that it was not designed to elicit accurate information; it was purely there to be mischievous. I will go to part (10) of the question asked by the honourable member, which reads as follows—

- (10) Except for legislation relating to agreements made between States and State instrumentalities and the Commonwealth—what other legislation exists which has been introduced into this Parliament at or about the same time as into other State Parliaments and on a completely uniform basis?

You, Mr Speaker, have been in this Parliament for a long time, the same as have many other members. It is not in the least unusual for complementary uniform legislation to be brought into this Chamber and the Chambers of the other State Parliaments in consort with the Commonwealth. Not at all. I refer to metrication, uniform packaging, wheat marketing, and so on. There are plenty of examples.

Did the honourable member really believe it was the duty of an officer of the Crown Law Department to go through all the Statutes of Western Australia simply to provide information which is already known? So, there was no useful purpose in asking the question. As I said, it is not unusual for the States to introduce complementary legislation in a number of fields. The submerged lands legislation is another measure which comes to mind.

The question asked by the honourable member was not designed to seek information at all; clearly, it was designed to be mischievous.

Mr Bertram: It was done in consort with the Commonwealth? We think not.

Mr O'NEIL: That is right.

Mr Bertram: This one is not. I pointed that out.

Mr O'NEIL: In the question?

Mr Bertram: Yes.

Mr O'NEIL: Perhaps the honourable member is right. Perhaps he knew the answer to the question. Perhaps he knew

there was only one, and that this is it; in which case he should not have asked the question.

Mr Bertram: I was only doing what you told me to do.

Mr O'NEIL: There is ample evidence that there was concern about the whole of this matter. If the honourable member now deems it necessary, he can read the submissions made to the Senate Select Committee. Accompanying it are a considerable number of pieces of paper—Press releases, telexes between the Minister for Justice and the Federal Attorney-General offering co-operation, and all sorts of things. Everything that was said in the second reading speech is correct. The honourable member questions whether the Minister for Justice was telling this Chamber the truth. I can assure the honourable member he was.

I will provide the honourable member with all the information which has been supplied to me as late as about lunch time today in respect of the matters he has raised in the second reading debate and which were the subject of his question. In view of the hour, and since the honourable member made no reference to the contents of the Bill, I hope the House will accept the measure.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (Mr Crane) in the Chair; Mr O'Neil (Minister for Works) in charge of the Bill.

Clause 1: Short title—

Mr BERTRAM: In the light of the fact that the Minister has now tabled certain papers in answer to some of the questions which were asked by me on the 9th October, he might now agree to give the Opposition an opportunity to study them, to work on the Bill, and to treat the Bill in Committee in the proper way. I therefore suggest that he report progress and ask leave to sit again.

Clause put and passed.

Progress

Progress reported and leave given to sit again, on motion by Mr O'Neil (Minister for Works).

House adjourned at 6.06 p.m.

Legislative Council

Tuesday, the 21st October, 1975

The PRESIDENT (the Hon. A. F. Griffith) took the Chair at 4.30 p.m., and read prayers.

QUESTION WITHOUT NOTICE

HON. H. W. GAYFER

Grandchild: Birth at Corrigin Hospital

The Hon. H. W. GAYFER, to the Minister for Health:

Is he aware I have just received the news that my son's wife has just given birth to their first child—a baby girl—and that as the facilities at Corrigin Hospital are excellent, both are doing very well?

The Hon. G. C. MacKinnon: Congratulations Grandad!

The Hon. N. E. BAXTER replied:

I was not aware of the fact that the honourable member had become a grandfather. Congratulations—and I am very pleased to hear that the hospital and medical facilities at the Corrigin Hospital are first class.

QUESTION ON NOTICE

TOWN PLANNING

Beechboro-Gosnells Highway Scheme

The Hon. D. W. COOLEY, to the Minister for Justice representing the Minister for Local Government:

- (1) When the notice of the proposed amendment to the Beechboro-Gosnells Controlled Access Highway Scheme, as referred to in objection nos. 798; 956; L; and 6; which are listed in the second schedule of the Report on Objections, was first presented to the public, was it covered by a transparent overlay on which coloured amendments shown on the appropriate sheet map 13/4 were indexed and referenced?
- (2) Has the original pad of the 1974 amending maps, because of the modifications effected, been replaced by an entirely new set of maps?
- (3) Why are there no overlays on the new maps which are presently lying on the Tables of Parliament?
- (4) As plain maps have been used and the amendments which are before the Parliament for approval are highlighted by means of the appropriate colouring, why is there one exception to this method of identification on sheet map 13/4?
- (5) Why are the amendments shown on map 13/4 not coloured to identify them?

The Hon. N. McNEILL replied:

- (1) The amendment to the alignment of the Beechboro-Gosnells Controlled Access Highway was not shown on the overlay to Sheet Map 13/4. This particular Amendment was being dealt with at that time pursuant to Clause 15 of the Metropolitan Region Scheme.
- (2) Yes.
- (3) The overlays do not form part of the Amendments. They were designed to assist the public in identifying the Amendments proposed when they were open for public inspection.
- (4) The Minister is not aware of any exception in the presentation of the 1974 Amendments.
- (5) The Amendments on Sheet Map 13/4 now tabled are coloured to identify them.

CONSTITUTION ACTS AMENDMENT BILL (No. 2)

Third Reading

THE HON. N. McNEILL (Lower West—Minister for Justice) [4.36 p.m.]: I move—

That the Bill be now read a third time.

Question put.

The PRESIDENT: As this Bill requires the concurrence of an absolute majority of the House, I shall divide the House.

Division taken with the following result—

Ayes—19

Hon. C. R. Abbey	Hon. M. McAleer
Hon. N. E. Baxter	Hon. N. McNeill
Hon. G. W. Berry	Hon. I. G. Medcalf
Hon. H. W. Gayfer	Hon. I. G. Pratt
Hon. Clive Griffiths	Hon. J. C. Tozer
Hon. J. Heltman	Hon. R. J. L. Williams
Hon. T. Knight	Hon. W. R. Withers
Hon. A. A. Lewis	Hon. D. J. Wordsworth
Hon. G. C. MacKinnon	Hon. V. J. Ferry
Hon. G. E. Masters	(Teller)

Noes—7

Hon. R. F. Claughton	Hon. R. H. C. Stubbs
Hon. D. W. Cooley	Hon. R. Thompson
Hon. S. J. Dellar	Hon. Lyla Elliott
Hon. R. T. Leeson	(Teller)

The PRESIDENT: The result of the division is Ayes 19 and Noes 7. I declare the motion carried with the concurrence of an absolute majority.

Question thus passed.

Bill read a third time and returned to the Assembly with amendments.

METROPOLITAN REGION TOWN PLANNING SCHEME ACT AMENDMENT BILL

Report

Report of Committee adopted.

BILLS (2): THIRD READING**1. Pharmacy Act Amendment Bill.**

Bill read a third time, on motion by the Hon. N. E. Baxter (Minister for Health), and transmitted to the Assembly.

2. Government Railways Act Amendment Bill (No. 2).

Bill read a third time, on motion by the Hon. N. E. Baxter (Minister for Health), and passed.

**MOTOR VEHICLE DEALERS ACT
AMENDMENT BILL***Second Reading*

THE HON. N. E. BAXTER (Central—Minister for Health) [4.43 p.m.]: I move—

That the Bill be now read a second time.

This is a Bill to amend the Motor Vehicle Dealers Act which was first passed by Parliament in the latter part of 1973 and came into effect in early 1974. Its provisions in respect of the sale of both new and secondhand vehicles required the dealers, yard managers and salesmen to be licensed by a board established under the Act and for dealings in the sales of secondhand vehicles to be regulated, with the Bureau of Consumer Affairs having an important brief in acting in the interests of the consumers.

The licensing requirements have been in operation for over 12 months, the first issue for yard managers' and salesmen's licenses having expired on the 31st August, 1975 when those still in the trade were required to be relicensed. Dealers' licenses initially issued expire for the first time on the 31st December, 1975. It may be interesting to mention that at the 30th June the licenses current were—

Dealers	559
Yard Managers	424
Salesmen	1 295

However, a drop in numbers is evident from the relicensing of yard managers and salesmen, so far completed. It is interesting to note that the Bureau of Consumer Affairs has reported a fall off in complaints covering secondhand motor vehicle purchases from consumers following the introduction of the Act and its licensing system.

The amendments incorporated in this Bill are the result or representations of the Australian Automobile Dealers Association (W.A. division), and the Motor Vehicle Dealers Licensing Board, all of which are supported by the Commissioner for Consumer Affairs.

I will now give a brief explanation of the main amendments.

Clause 3: The term "second hand vehicle" is altered to exclude a demonstration model car. As far as the trade is concerned a demonstration model is still sold as a new vehicle from the manufacturer

under his new vehicle warranty. In regarding a demonstration model as a new vehicle for the purpose of the Act, it will be conditional upon its having been registered solely under one dealer's name and still carrying a warranty which is better than that required by the Act for the sale of a secondhand vehicle.

Clauses 4 and 5: The amendment will require a yard manager and a salesman, when making application for a license or renewal of license to show that they are or will be employed by a dealer. The board considers that without this requirement an inexperienced person could acquire a license as a yard manager and use it to gain a position for which he is not experienced and likely to cause problems to both his employers and consumers. Although a salesman does not bear the same degree of responsibility as a yard manager his employment in the trade should be assured before a license is granted.

Clause 6: The amendment in subclause (a) will overcome a provision which was appropriate at the introduction of the Act to stagger expiry dates as required over a period of nine to 21 months. However licenses now need to be issued for less than nine months to the expiry date and the alteration provides for this.

In subclause (b) provision is made for applications for renewal of licenses to be made two months in advance, instead of one month, to assist in procedural work to be carried out prior to issue of the license.

Clause 7: Section 20 deals with the reasons for disqualification of licenses by the licensing board and this clause adds another provision—that is, failure to maintain premises at which the business is carried on by the dealer to a standard required in the public interest and suitable for the purpose.

Clause 8: This affects section 21 of the Act which provides for premises in which dealers may carry on business to be covered with a certificate of suitability issued by the board. However the board has drawn attention to situations in which a dealer is operating away from his certificated premises—for example, motor shows, special occasions, etc. in contravention of section 21. Subclause (b) of clause 8 will add further subsections (4) to (7) to provide for the board to issue a special certificate for such occasions with conditions which the board considers appropriate.

The board is required to be satisfied that the applicant has complied with the requirements of the Factories and Shops Act for such occasion inasmuch as—

- (i) The place is registered by the occupier as a shop under section 21 of that Act or the occupier has a temporary permit under section 30 of that Act to use the place as a shop in an emergency; or

- (ii) that the place falls within section 9 of that Act—
 - (a) that is, shop registration provisions mentioned in (i) above do not apply if the place is a show held by an agricultural or horticultural society; or
 - (b) if it is any bazaar or fair where goods are sold in order that the net proceeds of the sales of the goods be devoted solely to religious, charitable or public purpose then nothing in the Factories and Shops Act applies; or
- (iii) the Minister has issued an order pursuant to section 7 of that Act exempting that place from all or any provisions of that Act for the period for which the special certificate is sought.

The additional subsection (8) inserted by clause 8 (b) requires an application by a dealer to open additional premises to be made one month before the opening date although it is realised the security of tenancy and overhead for unopened yards needs to be considered. At present application is often made extremely late and it happens that a yard may be in operation before a certificate can be issued by the board.

Clause 9: This additional subsection will require a dealer to display his license number at his premises and in advertisements made together with his business name.

Clause 10: This alteration to section 22 adds a right of appeal to a local court in the case of the board refusing to approve of inclusion in the license of a change notified to it in the membership of a firm or of the persons concerned in the management and conduct of a body corporate. Clause 12 also has reference to this.

Clause 11: A new section 22A is included to require a dealer to surrender his license and certificate of registered premises to the board when disqualification or cancellation is made or the dealer ceases business.

Clause 12: The alteration to section 23 will allow for the board to refuse, if it has reason to do so, the inclusion in a license of a change in the membership of a firm or corporate body. Although a person may be unacceptable, say, because of past conduct there is no provision in the Act not to accept the change. Clause 10 as already mentioned will provide for a right of appeal.

Clause 13: This is consequential on the amendment explained in clause 8.

Clause 14: Section 32 is to be amended so as to cause a dealer selling vehicles at auction, when such vehicles have been acquired by the dealer as a trade owner or they belong to another trade owner, to comply with the obligations in part III of

the Act in respect to displaying the particulars of the vehicle and providing a warranty in accordance with the Act.

The Act currently allows a dealer to escape these obligations in part III when conducting an auction. Other States have found that in like manner trade auctions have developed rapidly and their development in this State is not to be encouraged.

The notice of particulars of the vehicle, except the sale price, will have to be displayed on the vehicle prior to the auction and a warranty given to the buyer by the dealer, the period of warranty being dependent upon the price paid at auction.

Subsection (2) of section 32 does not require a financier, at present, to comply with these obligations mentioned in part III when selling a vehicle direct or by auction to a person. A financier, being the owner of a vehicle under a hire-purchase agreement, has certain obligations under section 15 of the Hire-Purchase Act to protect the financial interests of the hirer when selling a repossessed vehicle and the onus lies upon him to prove that he obtained the best price which could be reasonably obtained. The owner is entitled to deduct the reasonable expenses in disposing of the goods which would include any warranty costs which could be forthcoming up to three months after disposal. It has therefore been decided not to alter the financier's position and this in turn will not confuse the hirer as to his own position where repossession occurs.

Clause 15: The current requirement in section 33 in displaying a form 4 showing particulars and sale price of the vehicle is that it should be affixed to the windscreen. This infringes Road Traffic Authority requirements particularly should the car be driven on roads for demonstration. The alteration will allow the notice to be placed inside the vehicle where it can be clearly read through the windscreen.

Clause 16: In accord with the Justices Act a prosecution for an offence must be commenced within six months of the commission of the offence. This period is insufficient in practice in this field of work and more so when complaints are lodged towards the end of a warranty period. This clause writes into the Act a provision to institute proceedings within 12 months.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. D. W. Cooley.

MAIN ROADS ACT AMENDMENT BILL

Second Reading

THE HON. N. E. BAXTER (Central—Minister for Health) [4.55 p.m.]: I move—

That the Bill be now read a second time.

This Bill proposes a number of amendments to the Main Roads Act, 1930-1974, which are required in order to update the

Act commensurate with the functioning of the State road authority. These amendments relate to the following four distinct matters—

- (1) Updating of the road classification system.
- (2) Temporary closure of highways and main roads to prevent damage.
- (3) Authority to borrow moneys.
- (4) Updating of contract ceiling amounts.

The present basic road classification consists of main road and developmental roads introduced with the 1925-1929 Act, which was superseded by the existing legislation. With the passage of time, such classification has become inadequate, on account of major changes in the State's economy and transport operations.

Serious shortcomings of the present classifications become evident, for example, through sections of roads being classed as developmental when the Commissioner of Main Roads allocates funds for their improvement. This has brought about a patchwork of numerous unconnected short lengths of road classed as developmental roads. There would be obvious advantages in replacing this patchwork of unconnected road sections with a designated system of roads serving developmental purposes. Also, the term "important secondary roads" has been, of necessity, used administratively by the Main Roads Department to describe those roads which are not main roads, but which are more important than developmental roads, and hence require a higher level of financial assistance for their improvement. However, the descriptive term "important secondary roads", while administratively necessary, has no legal significance whatsoever, as there is no such classification provided for in the principal Act. Further, there is a need to upgrade to the status of "highways", our busiest main roads carrying out the most important functions.

It is appreciated that our road authority considers that the existing statutory classification of roads has fallen behind the times, and it is therefore proposed that the principal Act be amended. These amendments provide that the road system for which the State road authority will accept either whole or part financial responsibility, be reclassified on a functional basis into "highways", "main roads", and "secondary roads". Such a system will produce a more rational classification and one in line with current usage, and the classifications operative in other States.

The Main Roads Department, under the proposed classification, will accept full financial responsibility for highways as well as main roads, and make substantial contributions towards the construction of secondary roads, as in the case of important secondary roads and developmental roads at present.

I emphasise that local authorities will not be disadvantaged by the proposed new system of road classification. Indeed, on the passing of this Bill, it is planned to revise the classified mileage of roads so that overall some 2 400 kilometres of road will be added as either "highways" or "main roads" to the classified system. This will relieve local authorities of the financial responsibility they have at present for those roads.

The sections of roads presently categorised developmental will be reclassified "secondary roads" and the Main Roads Department will continue to make substantial contributions towards their upkeep. Provision is also made in the Bill for the commissioner to construct or assist in the construction of roads other than classified roads, which may be necessary to meet the needs of a particular area.

Provision was made by Act No. 34 of 1952 for the controlled access class of roads. It is now proposed that, in deleting this road classification, the power to control access be retained to be applied to sections of "highways", "main roads", or "secondary roads", or land acquired for the purpose of building such roads in future. This is proposed as a more rational procedure, consequent on "control of access" being essentially a traffic control measure to be applied to a section of a highway, main road, or secondary road, rather than constituting in itself a road classification.

The Bill also proposes to provide the Commissioner of Main Roads with the specific power of temporary closure of highways and main roads under his control. While local authorities have this authority by virtue of a model by-law under the Local Government Act to enforce temporary closure of roads under their control, there is no such specific power for road closure in the Main Roads Act. The Bill rectifies this anomaly.

I would mention in passing that under existing circumstances the commissioner has to rely on a general power within the Act relating to the proper management of main roads or, alternatively, is obliged to co-opt the services of a local authority in order to close a main road for a temporary period to prevent damage. This is quite an unsatisfactory situation, as I have already indicated.

There are two main purposes to be achieved by this proposed amendment. There is often a need, for safety reasons, to close roads for short periods, due to heavy rain and flooding. This applies particularly in the north of the State, where closures may extend for several days, and motorists can be in considerable danger if they are permitted to use the roads. There is also the need, following on heavy rain and flooding, to close a road for a temporary period to protect the road itself, on some occasions, from heavy traffic, and on other occasions from all traffic.

The authority proposed to be given to the Commissioner of Main Roads is similar to that contained in the local authority model by-law for closure of roads for a period not exceeding 28 consecutive days. The proposed penalties for infringements also are similar to those provided under the Road Traffic Act for such offences. This proposal is well worthy of support, in that it will help to preserve the maintenance and safety of the main road system.

A further clause is contained in this measure with the object of enabling the Commissioner of Main Roads to borrow money for carrying out the purposes of the Act.

The Hon. H. W. Gayfer: Does this mean the start of toll roads?

The Hon. N. E. BAXTER: It will not be, as far as I can see. To continue: Members may recall that this Chamber passed similar legislation last year in respect of the Art Gallery Board.

It is considered desirable that the Main Roads Department should have the power to borrow funds to meet circumstances such as those to which I shall refer. Similar powers are possessed by the State road authority in New South Wales and some other authorities in this State.

I mention *inter alia* that at the present time the Commissioner of Main Roads is considering the construction of a divisional office in Port Hedland. This office is urgently required in order to accommodate engineers, surveyors, draftsmen, and other technical and clerical staff directly concerned with the investigation, design, construction, and maintenance of works being undertaken pursuant to the provisions of the principal Act.

However, Federal road funds may not be spent on such projects. Certain other items, including expenditure for the purpose of providing departmental housing are also not acceptable expenditure from Federal road funds. State funds must be used for such purposes yet, in some cases, State funds are not sufficient to meet pressing needs. There is also the possibility that loan funds may be necessary in the future to construct large road or bridge projects when sufficient Federal funds or State revenue are not available.

The Bill accordingly proposes, in effect, that the Commissioner of Main Roads should have borrowing powers similar to those possessed by the Art Gallery Board and, as with the Art Gallery Board, the exercise of this power should be subject to Treasury approval. The form of the borrowing authority conforms with that suggested by the Treasury, and will assist in the functioning of the Main Roads Department.

A further amendment to the Main Roads Act is required to lessen the burden on

the Minister for Transport of the paper work involved in relatively unimportant administrative approvals. I refer to section 18 of the principal Act, which provides that the written approval of the Minister for Transport is required for the letting of contracts in excess of \$2 000. This \$2 000 limit has applied to the Main Roads Department since 1930 when it constituted a very substantial sum. However, by today's standards, \$2 000 has not the same significance, and the number of contracts which fall within this category has increased considerably, as also have the demands on the time of the Ministers occupying the various portfolios.

As a matter of interest, and as an indication of the order and magnitude of the change in money values, in 1930-31 gross expenditure by the Main Roads Department amounted to \$1.1 million whereas, by 1974-75 this had increased to \$82.9 million. As a result, many minor contracts which would previously have been exempt, have been brought above the \$2 000 limit. In order to offset the effects of the decline in money values, it is proposed to amend the Act to provide that the present limit be raised to \$50 000, as this is regarded as a more realistic figure in the present day. Other authorities, such as the State Electricity Commission, have up-dated their contracts' expenditure limits.

Some minor consequential amendments are also necessary to the Road Traffic Act, and the Local Government Act, and these are being introduced as separate Bills.

I commend this Bill as one which is necessary for the updating of the Main Roads Act, in keeping with the functioning of the State road authority at the present time.

Debate adjourned, on motion by the Hon. S. J. Dellar.

ROAD TRAFFIC ACT AMENDMENT BILL

Second Reading

THE HON. N. E. BAXTER (Central—Minister for Health) [5.07 p.m.]: I move—

That the Bill be now read a second time.

This Bill is complementary to the current Main Roads Act Amendment Bill, as the provisions of that Bill require a minor consequential amendment to the Road Traffic Act.

The Main Roads Act Amendment Bill provides, amongst other things, for an up-grading of road classifications to include a new category of roads to be known as "highways". It also dispenses with the road category of "controlled access roads" which is, in fact, not a road classification, but rather a traffic control function. Provision is made for the retention

of existing control of access powers which can be applied to a section of a classified road.

Because of that, there is a need to amend other Acts which refer to main roads, by expanding this term to include the new classification of "highways". There is also the need to delete any reference to the term "controlled access roads" as this road classification will no longer exist.

One such Act, which incidentally refers to both main roads and controlled access roads in one and the same section, is the Road Traffic Act, 1974. The section of the Road Traffic Act with which I am concerned is section 84, which deals with the liability for damage to roads and, as I have pointed out, amendments are necessary because of the changes which are provided in the current Main Roads Act Amendment Bill.

The effects of the amendments will be to include the term "highway" in the definition of "Government road" and to provide that liability to the Commissioner of Main Roads for damage to main roads will be extended to include the new classification of "highways" and to delete the previous classification of "controlled access roads".

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. S. J. Dellar.

LOCAL GOVERNMENT ACT AMENDMENT BILL (No. 3)

Second Reading

THE HON. N. McNEILL (Lower West—Minister for Justice) [5.10 p.m.]: I move—

That the Bill be now read a second time.

Arising from the introduction of a current amendment to the Main Roads Act, a minor consequential amendment to the Local Government Act is necessary.

The section of the Local Government Act which needs amending is section 359, which provides for the construction of crossings from premises, other than residential premises, into main roads.

In order that this legislation may accommodate the new road category of highway introduced under the Main Roads Act Amendment Bill, and for which the Commissioner of Main Roads is responsible, the term "main road" used in section 359 of the Local Government Act needs to include the new road classification of "highway".

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. S. J. Dellar.

BEEF INDUSTRY COMMITTEE ACT AMENDMENT BILL (No. 2)

Second Reading

THE HON. N. McNEILL (Lower West—Minister for Justice) [5.11 p.m.]: I move—

That the Bill be now read a second time.

There is little need to expand to the House on the current difficulties being experienced by beef producers. Members will recollect the introduction of the Beef Industry Committee Bill in 1974, which provided for the setting by a committee of minimum prices for certain specified classes and weight ranges of beef, with the aim of achieving reasonable price returns for producers for beef sold on the domestic market, and introduced at the request of all segments of the industry.

There have been difficulties in the administration of this legislation and these are acknowledged, but, broadly speaking, it has been effective in maintaining prices for beef in Western Australia at a level above those which have existed in Eastern States' markets. The efficacy of the scheme has, to some extent, been eroded, and the scheme has been made more difficult to operate than anticipated, because of the high percentage of beef which has been submitted for sale which has fallen outside the classifications used by the committee, and also by some imports of cattle and carcase meat.

In 1974 the period of heavy supply had largely gone before the scheme became operative. However, this year the scheme will have to operate throughout the period of heavy supply, and provision must be made for the committee to have management of supply in order to regulate supplies of beef coming forward which are suitable for the home market, and fall within the classes and weight ranges which are covered by the minimum price scheme.

There is also provision for extension of legislation to a date to be decided by the Government. The Bill provides for—

- recognition of the role of adjudicators appointed by the committee;
- the payment of sitting fees to committee members;
- the meeting of the costs incurred by other persons in carrying out their duties in relation to the committee;
- the setting of different prices in different parts of the State in order to allow for freight differentials—a practice which has been authorised by the committee will now be given legislative backing; and
- the appointment of a secretary to the committee.

The Minister has previously publicised the proposed plan for supply management. It will involve the issuing of tags by the

members of the Western Australian Livestock Salesmen's Association to farmers up to the number estimated to be required weekly to supply the domestic market—say 5 000 per week. Tagged cattle which are sent forward for auction will be sold in the first sale of the day, and will be covered by the minimum price scheme. Export types, untagged cattle, and cattle not considered suitable for trade purposes, will be sold at a subsequent sale. It is necessary to give an adjudicator power to authorise sale of stock of the classes and weight ranges prescribed by the committee, at less than the minimum price in this later sale.

Some 20 per cent of the tags issued each week will be reserved for use in private sale situations.

The Western Australian Livestock Salesmen's Association has assured the Minister that tags will be issued without fear or favour, and will be available to people who are not clients of agents, similarly as they will be to people who are clients.

The scheme is based on the willingness of all segments of the industry to co-operate. It will be the responsibility of producers, agents, abattoir management, and the trade generally to ensure the success of the scheme. If this does not eventuate, alternative arrangements will be implemented by the committee to ensure all scheme cattle purchased for the domestic market are bought at or above the minimum prices set.

Two provisions in the scheme aim to assist the committee in determining the purchases of scheme cattle, and the precise prices paid for scheme cattle.

Firstly, provision is made for records to be kept by abattoirs, auctioneers, and purchasers of beef, and for these records to be available to a person authorised to see them.

Secondly, there is provision for these people to make such returns to the committee as are prescribed. This information can be required under the draft legislation within a specified time, and on the basis of statutory declaration.

I am able to provide some figures to assist the House in its consideration of this legislation. Taking the Australian Bureau of Statistics' figure of almost 714 000 beef cows and heifers over one year of age held on farms at the 31st March, 1974, it is calculated that, based on a 75 per cent calving and 70 per cent marketing of calves, there would be a production of baby beef in 1975 of almost 375 000. It is estimated on the basis of the difference between production and export, that the average weekly demand in the south west is for between 5 500 and 6 000 carcasses. This may be a slight under-estimate.

At a consumption of 6 000 carcasses per week, consumption in the four months from the 1st October to the 31st January, will

be approximately 102 000. Potential production is therefore almost three times as great as estimated domestic demand. This does not take into account steer beef, which has been held over from 1974 calving, and has yet to be sold.

This is the first time that an attempt has been made to implement a scheme of this type in Australia through a period of over-supply. Problems will exist, and it will be up to the committee to resolve these problems. It is to be hoped that they will be overcome by the goodwill and co-operation of the total industry.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. R. T. Leeson.

ACTS AMENDMENT (WESTERN AUSTRALIAN MEAT COMMISSION) BILL

Second Reading

Debate resumed from the 16th October.

THE HON. R. T. LEESON (South-East) [5.17 p.m.]: The purpose of this Bill is to consolidate five Acts into one and set up what is termed as the Western Australian Meat Commission.

No doubt members will recall the problems that have been experienced in this particular industry over a number of years. In latter times, of course, these problems have been evident in the meat industry generally.

This is an industry that has been inquired into by a committee which has done a considerable amount of work and which has come up with an idea that if some consolidation and rationalisation of the industry is made we might keep Western Australia to a break-even point, particularly so far as the Midland Junction Abattoir is concerned.

Over the years the Midland Junction Abattoir has incurred losses of considerable amounts of money and, at the same time, it has had millions of dollars spent on it.

On the other hand, the Robb Jetty export abattoir, as most members know, has been working at break-even point over the years, but due to the cutback lately in the export of beef Robb Jetty has slowed down somewhat. Prior to that, however, it has always been able to keep its head above water.

It has been suggested that we should have a single meat commission with abattoirs working together and with an exchange of ideas. I understand that to some degree this already exists in so far as the accounting is concerned, and also in connection with general managerial staff matters. It is thought that with the establishment of a single meat commission the workings of these two bodies may be more economical.

I understand that at the moment it is planned to transfer stock from one abattoir to the other, depending on the demand, in an attempt to try to keep going a continuous supply. This is being done because of the problems that exist, particularly in Midland, where the supply is up one week at about 70 per cent capacity, and then down the next week to about 40 per cent capacity; and this is where the losses have occurred. It is thought that if stocks can be moved around to some degree we may be able to offset these problems.

The Midland Junction Abattoir has been faced with a particular problem as it relates to slaughtermen. When it works at nearly top capacity and after it is necessary for slaughtermen to be trained we find that if there is a drop-off in production the trained slaughtermen leave and new slaughtermen have to be trained to take their place. This has been a great burden on the Midland Junction Abattoir so far as costs are concerned.

I wonder whether there has been any suggestion of perhaps a swapping of slaughtermen and people who work in the industry as between one abattoir and another.

Members will no doubt appreciate that the job is very repetitive; I do not think we could possibly find anything much worse than the repetition that exists in this industry. Accordingly it may be an idea to try to help slaughtermen and perhaps move them around from one abattoir to another and thus keep them in the industry; rather than have them moving to industries in the north of our State or to other parts of Australia.

In his second reading speech the Minister mentioned that the meat commission would compete with private enterprise and develop markets for Western Australian meat, and that this might be unattractive to private enterprise.

This sounds all right but it does seem to me that if this is unattractive to private enterprise there must be a case for not going out after these markets, and it means we will fall back on State-owned instrumentalities to achieve this. I hope that markets are able to be developed and I also hope it will not cost the State any particularly large sums of money because, after all is said and done, we would all have to pay for it.

I do not intend to speak at length on this Bill; it was elaborated on to a large degree in another place by somebody who has a very close association with the industry as a result of his particular job; and many words were said about it. The gentleman concerned knows far more about the industry than I do.

I would point out, however, that at this moment and for the past few weeks a Select Committee of members from another

place has been engaged in inquiring into all aspects of the beef industry, including abattoirs and down to the production stages; and I understand the committee's report is due to be tabled on the 4th November.

We would not, therefore, have very long to wait for this report and I would have thought that perhaps it would be better to wait and see what the committee comes up with before we go ahead with this Bill; because in the light of the committee's report the Government may feel that the legislation needs further amendment.

There is one other aspect which I failed to mention earlier—and this was also mentioned in another place—and that is we find the Western Australian meat commission is to be comprised of six members from various organisations, including the Government. I notice, however, that a representative from the employees is not to be included on the particular commission. I think it was in 1973 that the Tonkin Government moved to have a representative of the employees appointed to the Midland Junction Abattoir Board, and the move was defeated in this House.

The matter was debated at length and a number of words were spoken about it. I thought the Government may have reconsidered the situation, particularly in relation to a commission as important as this which encompasses the entire industry throughout Western Australia. I should have thought that perhaps the Government would have another look at the matter with a view to adding this further representative to the board.

I have already mentioned that perhaps we should have waited until such time as the report of the Select Committee inquiring into the industry was tabled so that we could have another look at the matter after the Government has given it some further consideration. All in all, the Opposition supports the Bill; it has supported the principle involved for a long time. I support the Bill.

THE HON. R. THOMPSON (South Metropolitan—Leader of the Opposition) [5.25 p.m.]: As my colleague has said, we support this Bill because we see some merit in it; but, like him, I also feel that perhaps the Minister could give some consideration to delaying the third reading of the measure, say, until the parliamentary Select Committee brings down its report. The report is to be brought down in a fortnight and it may be found necessary to amend the Bill as a consequence. Rather than have the legislation returned to the Assembly and then straightaway come back with an amendment, I think we should wait and see what the Select Committee's report has to say on the matter. I would like to see passed the best type of legislation that is possible in respect of this matter.

It is a great responsibility. If members would care to refer to financial documents that are available in another place—and I believe there are some available in this Chamber—they will see that there is to be a later Government contribution to the Midland Junction Abattoir to help keep down the costs of slaughtering. Apart from this, we have seen somewhat of a downturn in the Government trading concern, Robb Jetty which, of course, is in a different situation from the Midland Junction Abattoir, because Robb Jetty has extensive chilling and freezing works; it has fewer problems, and apart from which it has an income.

By and large I think we all agree that Robb Jetty has done a worthwhile job for producers and consumers. I am most pleased to agree to the legislation before us, because it constitutes an extension of a State trading concern.

If we cast our minds back to 1959 and onwards we will recall the mad rush and indecent haste with which the Liberal-Country Party Government of the day set about selling every State trading concern that had been built up by the Government.

The Hon. N. McNeill: Decent haste.

The Hon. R. THOMPSON: It was indecent haste, because some of the first Bills the Government introduced sought to get rid of the State trading concerns. The Minister should not try to get me involved in this particular debate, because I could be here for another hour and a half.

The Hon. N. McNeill: You started to speak about it.

The Hon. R. THOMPSON: I could mention such State instrumentalities as the State Hotels, the State Sawmills, and many others. The ones that did survive because they were of benefit to the State and to the producers were the Western Australian Meat Export Works and the State Engineering Works; we know that in the last financial year the State Engineering Works came up with a profit of something like \$376 000 and the Western Australian Meat Export Works with a loss of about \$102 000. This, however, is neither here nor there. There is a small loss this year which has been brought about by circumstances of which we are all aware.

I am pleased to see this extension of State trading concerns, because I think that ultimately it will be of benefit to the producer.

It seems that in the case of beef producers, as is the case with the pig market, the market is either buoyant or slack. This also applies to the mutton market. There does not appear to be a steadiness in these markets and because it is a gamble for the people who are engaged in the industry I would like to see some stability and some assistance given to them.

I would echo the remarks made previously. It could be said that the new commission will be a management board and, therefore, it is not necessary to have a representative of workers on it. Even some of the biggest industries in the world today acknowledge that it is essential to have employees represented on boards, because this gives the unions some knowledge of the industry from the other side; a knowledge which will not be readily accessible to them if they are not represented. It allows the representatives to convey to the unions and to the employees, generally, the reason that this or that should or should not be done. It is in a spirit of co-operation that I ask the Minister to reconsider the matter with a view to including at least one representative of employees on the commission.

We find the functions of the commission are to engage in trade in meat, meat products, and livestock; to assume responsibility for and manage saleyards; and to do such other things as are in the opinion of the Minister necessary in the public interest in relation to the meat industry. Other functions refer to the control of abattoirs, and so forth.

With regard to the members of the commission, one shall be a person having relevant marketing experience; one shall be a person having relevant experience in financial management; one shall be a person having extensive and relevant experience in the meat industry—I assume that member would be a wholesaler, and I realise it could be a member of a union—two shall be persons appointed to represent the interests of producers of meat; and one shall be a person appointed to represent the interests of the Government of the State.

I feel we are all aiming to achieve the same objective; and by leaving out a section of the community which has a direct stake in the industry—because if the industry does not survive the employees' jobs will be at stake—the Government is selling itself and the employees a little short.

While I was overseas recently I looked rather closely at the cost of meat in other countries. I was amazed at the high cost of beef in particular, and the inability of people to purchase it in countries which have a low wage structure and where beef is priced at something like \$2.70 a pound. Mr Berry and I discussed this privately, because he took out much the same figures as I did in respect of the price of beef in England. I feel somewhere along the line the wholesalers, the shippers, or private enterprise generally, has been at fault for not going out and selling beef to the extent to which it could be sold, thereby making it available at attractive prices in other countries so that people could afford to buy it. Someone has been selling Australia and Western Australia short.

I trust the new commission will look for markets. If it can open up new markets in which to sell beef at a competitive price it would be to the benefit of the producer and Western Australia, generally. I support the Bill.

THE HON. C. R. ABBEY (West) [5.35 p.m.]: It is good to see that members of the Opposition intend to support this Bill. I think some of the remarks made by the Leader of the Opposition are worthy of comment. I agree with him to some extent in respect of the overseas situation that he outlined; but, of course, what must be kept clearly in mind is that the producer is very aware of the situation. He is aware of the fact that such a wide margin exists between the price he receives for his beef and the price the consumer pays for it. I think this matter is worthy of study by a committee of inquiry.

Many reasons have been put forward in respect of this, not the least of which is the cost of labour involved in slaughtering cattle and preparing the meat. I am not trying to union bash or to place great emphasis on the worker in this respect because I realise—as Mr Leeson pointed out—that the work involved is repetitive and not very acceptable to most people. However, there are people who remain in this employment and find it quite satisfactory because in four or five hours a day they are able to produce the amount required under their award; and they receive a very good weekly wage for providing this service.

The present situation of the two service abattoirs is not unique; it has been in effect for as long as I have been a member in this place. Many years ago I commenced to interest myself in this matter in the hope that we could come up with some answers. Over the years we have come up with answers which, in the main, were found to be unacceptable to Governments of the day. However, we now have a situation in which perhaps the pressure that was applied all through those years has finally had some effect. The joining together of the two service abattoirs should not be seen solely as placing them in the category of a State enterprise. That is not the intention at all. It is an ancillary situation which has always existed in respect of these works. They have always been able to trade, and at some time have had their powers extended. I do not think it will be necessary for the new commission to trade to any great extent, but the power to do so is included in the legislation and I think it is a very worth-while inclusion.

I hope the new commission will have strong overseas contacts—preferably through trade commissions—so that it may advise the trade of the opportunities that exist. There have been cases, particularly in the last couple of years, in which the trade, whether ill advisedly or

not, has not taken up market opportunities. As we all know, very often Governments of importing countries have placed tight restrictions on imported meat and this has led to some very unfortunate effects in exporting countries such as Australia. The Australian Meat Board has attempted to counter some of these difficulties; but I am not all that pleased with its efforts. I think that board has been found to be lacking in many respects. If the new commission can set up some sort of effective liaison body with overseas markets, it will do a great deal of good for the producers of Western Australia and Australia.

The Leader of the Opposition mentioned the composition of the proposed commission and commented that in his opinion a representative of the union controlling meat workers should be included. Well, this is a management body and I cannot see any advantage whatsoever in having a further appointee in this regard. It is worth while casting our minds back about 18 months to when the then Minister for Agriculture made available to Mr Max Burns the opportunity to go overseas—mainly to the Middle East—to see what he thought of the market opportunities there, and to report back to the Minister. Mr Burns did this, and I believe he did it effectively. I have had an opportunity to read his report, and it is a very constructive document.

I think the best way in which labour can be involved in this case is by having a committee which would talk to the management and the new commission. It seems to me that for many years we have had too little consultation and too much confrontation in the meat industry.

We can cast our minds back to 1968 and 1969 when a serious situation existed. The abattoirs could not accept all the stock offering, and there was a great outcry by producers because they could not sell their stock. We finally reached the position where over 100 000 sheep a week were coming in from drought affected parts of the State.

The abattoirs could not possibly handle the number of stock offering and eventually, in 1971, the Midland Junction Abattoir Board put into effect the powers it had to rationalise the intake of sheep, and that overcame the problem. I well recall the low prices that were received for aged stock; they were somewhere in the vicinity of 10c for old ewes. As Mr Ferry said, many went down the chute; it was inevitable because they were starved; they had no monetary value at all, and in any case they should not have been taken to Midland.

This comes back to supply management. We have proposals in another Bill for a supply management scheme in respect of beef. I am certain that when and if this

is applied to all types of meat we will see a more rational supply situation and a more rational handling of the stock available by abattoirs, including some private abattoirs. I am sure producers will then receive a much better price. However, more of that at a later stage.

The proposed new commission will create a situation which in my opinion will enable a really rational approach to be adopted in respect of both service works. I hope this is done in consultation with the union controlling meat employees. It is possible to rationalise the appointment of slaughtermen and at the same time to close down chains in one or other of the works.

The Leader of the Opposition would recall that the WA Meat Export Works was heavily involved in the export of lamb and for about 12 or 14 weeks four or five chains were being operated during that restricted period to kill for the overseas market, but mainly for Britain. It seems to me that we must achieve something like that in the future; that is, a rational improvement of employment; one which I hope will lead to security for those involved in the meat industry in Western Australia and who wish to stay in the industry.

The meat industry, of course, is one which employs many itinerant people, who move from job to job. In the past we have had the situation when the Wyndham Meat Works, too, were operated by the State and it was possible for the men employed there to be continually employed between the Midland Junction Abattoir and the Wyndham Meat Works. In other words, it was an interchange of the workers and during that period the system appeared to work very well. I therefore think it is wise for all to keep in mind, where we have a high cost situation, that this bears most heavily on the consumer and the producer; they both have similar interests and anything that will help reduce costs must be implemented. I feel this commission will be able to do something in that regard, and I hope a strenuous effort will be made by it, through its management, to improve the situation and to mechanise wherever it is needed.

In the Minister's second reading speech he referred to a classification scheme which is under examination by the Australian Meat Board. I have been given further details of this classification scheme because I am a member of the beef liaison committee which meets every five or six weeks. That committee operates mainly from the Department of Agriculture and comprises some representatives from the industry. At the last meeting we were informed of the classification scheme which is now being tested in a works in Melbourne. It is intended that the scheme shall be operated mainly by a computer system which will classify carcasses into

four main categories. The categories will include weight, sex, age, and so on.

The beef liaison committee has been informed that should a retailer want, say, 1 000 4-lb. legs of lamb of a certain grade scheme, for a computerised system to operate to provide that number if the produce is available. This will represent a great step forward. We were further informed that this could lead to an abattoir effecting a saving of about \$20 000 a year, based on an outlay of \$7 000 to \$8 000 a year. I take it that this would cover a long-term purchase of the necessary equipment.

It is an interesting thought that if this computerised classification scheme is successful—and I feel sure it has been tried for a considerable period and has now reached the stage where it will work quite effectively—we should see in all States—particularly, I hope, in Western Australia—an introduction of this scheme. It is one which the producers of Western Australia have been seeking for many years. I think this State has been the prime mover, as it has been with many other innovations of this nature which have come to fruition and have proved successful.

We know that more and more the retail meat trade is reaching a stage where it requires pre-packaged goods which it can sell readily. Because of high labour costs the smaller retail shops are finding it too expensive to break up carcasses and handle them in the retail shops themselves. The retailers and the customers would much prefer a situation where, in the future, they were able to buy pre-packaged meat attractively offered for sale and of a quality that could be guaranteed. Up to date this is something on which the consumer has been missing out.

I consider we have to press forward with such a scheme and I hope the Minister in charge of the Bill will convey my hope—and I am sure the hope of all members of the House—that these improvements will be brought into being as quickly as possible following the establishment of this commission.

The Hon. R. Thompson: That would lead to more responsibility in regard to the grade that is bought. Sometimes a customer thinks he is buying lamb, but he is sold old hogget.

The Hon. H. W. Gayfer: Old hogget? How old?

The Hon. R. Thompson: Well, old mutton. All hogget is mutton.

The Hon. C. R. ABBEY: The Leader of the Opposition has now touched on the whole crux of the matter.

The Hon. D. J. Wordsworth: The Minister for Agriculture becomes the keeper of the brands.

The Hon. C. R. ABBEY: Unfortunately, beef strip branding is unlikely to be of

any great benefit. We know that when the hindquarters of a beast are cut into steak there will not be much of a strip brand left on the carcase or on the meat that is purchased in the shop. This raises a most interesting point. The consumer is entitled to a better deal and, as a producer of meat—particularly of beef—I feel it is highly necessary that the trade in general—the producers, and everybody concerned—should make greater efforts to provide what the consumer wants. I am sure the consumer would appreciate such an effort and be prepared to pay for better quality meat.

I repeat again that it is time we had a well-researched classification scheme. I believe it is available and it should be put into operation as quickly as possible.

It is interesting to go back into history a little, but not very far. We can go back to the 1968 and 1969 period when there was a great outcry about the existing situation and many articles in regard to it were published in *The West Australian* and other journals. As members will recall there was not sufficient abattoir space available and the producers and the trade generally were in what could be described as a terrible mess.

In *The West Australian* of the 20th February, 1970, an article was published headed, "Meat price may soar", and the opening paragraph read as follows—

Perth housewives may have to pay record prices for lamb in the next few months.

The report then continued. Now, seven or eight years later, we see similar reports being published in the newspapers. The situation does not seem to have changed very greatly. Nevertheless, there is one recommendation that has come forward that is worthy of note. This appeared in *The West Australian* dated the 19th January, 1970.

The article was headed, "Liberals will urge new Perth abattoir". The rural committee of the Liberal Party at that time urged the Government of the day—the Brand-Nalder Government—to build a new abattoir rather than go on shoring up and adding to the two existing works. May I say that at that time a new, complete works of export standard could have been built for about \$5 million or \$6 million. At that time, at Robb Jetty, about 100 acres of land were available adjacent to the works owned and operated by the WA Meat Export Works. Therefore to build a new works would have been a much better and simpler exercise.

In his reply to the second reading debate the Minister will no doubt say that at the time it was more expeditious to add to both the existing works. However, I doubt that, because at that stage or at any other stage it would be a costly and long exercise if old buildings were pulled down on

the existing site before new premises were constructed.

At that stage one of the recommendations of the Liberal Party, through its rural committee, was—

The nomination of all stock for sale at the Midland saleyards should be mandatory during any glut period to allow abattoirs to anticipate killing requirements each week.

That was an innovation that existed when we had to forward our stock by rail. We had to nominate all stock in order to engage trucks to forward stock to Midland. Of course the situation changed very markedly when road transport took over and the situation was reached where any number of road trucks could arrive at Midland. The position was that the agents or the buyers were not forewarned and this resulted in a glut.

A further recommendation which could well be applied to sheep and to old beef—to old cows in particular—was—

producers should be encouraged to forward all aged sheep suitable only for boning and canning, to a works specialising in this side of the industry.

Have we not had a comparable situation this year, when we saw too many poor types of beasts—mainly old cows—coming onto the market, depressing the price? In fact, they were a drag on the whole situation.

That is just a little bit of history which is of interest. It indicates that the two present Government parties have had this matter under consideration for a very long time. Perhaps Governments in the past have been far too slow to move to rationalise things like service works. An abattoir is not basically private enterprise. It is intended to provide service to the producer, the wholesale trade, the retail trade, and, finally, to the consumer.

Looking to the future, if we have a classification scheme—and I sincerely hope we do, Australia-wide, but firstly in Western Australia—which will finally lead to sale on the hoof of all meat, the consumer will get a much better product because it will be classified and handled properly. The producer will know his stock is sold for a realistic price, and he will be paid for the pounds of meat he produces; and the wholesaler will be able to properly bid for the meat because he will know it is classified and graded in age and quality. Therefore in that regard costs should be reduced. The present methods at the Midland Junction Abattoir are costly and unnecessary.

It appears to me that sale on the hoof is something that should be abandoned. It is far better to direct stock to all abattoirs throughout the State—private abattoirs as well—so that the animals are received on a rational basis and killed without the

necessity for their being held for too long a period. This would be more humane, and all the meat could then be sold on a classification grading and on the hook. I can envisage that in the future much of this meat will be packaged before being offered and this would be a very great advance in the meat industry, particularly in Western Australia.

I support the measure.

Sitting suspended from 6.03 to 7.30 p.m.

THE HON. D. J. WORDSWORTH (South) [7.30 p.m.]: Mr President, I have become a little apprehensive about legislation on which I suddenly find the Opposition is not taking up its traditional role—

The Hon. S. J. Dellar: We will after this Bill.

The Hon. D. J. WORDSWORTH: —of examining it critically. One almost wonders whether the Government is introducing legislation which it would be more fitting for a Government of the other side to introduce.

The Hon. R. Thompson: We have always supported progressive legislation.

The Hon. D. J. WORDSWORTH: I admit I find myself not in complete agreement with this Bill.

Th Hon. S. J. Dellar: Did you ring up to get approval to say that?

The Hon. D. J. WORDSWORTH: I do not have to ring up anyone before I say that or for any other reason.

I feel there are several theories behind this Bill with which I do not agree. One of the theories is that if we amalgamate two bodies the resulting body will be more efficient. When I was in the United States some six years ago and did a business course at the famous Stanford Business School, American business was just overcoming a time when there had been a great theory prevalent that a conglomerate would be more successful than the individual companies. Companies were forming together, on the theory of being able to give their business expertise to the smaller companies. It took them about five years to realise they had made an awful mess of it and it did not work at all.

I wonder whether part of the hope behind this Bill to amalgamate the Midland Junction and Robb Jetty abattoirs is just that—that the combining of the two will make a more efficient operation. I seem to remember a famous agricultural economist—I refer to Henry Schapper—saying to farmers, "Get big or get out." That made him very famous, if only for that reason; and it took the farming community some time to realise what he was saying was a load of rubbish.

Many reports etc. have been produced on how we should resolve the abattoir difficulties in this State. I recall that the

Towns and Austen commission was asked to report to the previous Liberal-Country Party Government, of which Mr Nalder was the Minister for Agriculture. Amongst their many recommendations, the members of that commission did not see any advantage or any solution to the problem in the amalgamation of the Robb Jetty and Midland Junction Abattoirs.

Robb Jetty has proved to be a very efficient little works, mainly for use in the export season. When there was a surplus the works could be opened up to handle the export season and then be closed down again. This is done extensively in New Zealand, particularly in the lamb industry. At least half of the works in New Zealand close up after the lamb season is over. This is the way Robb Jetty worked, while Midland Junction remained the service abattoir.

The Hon. R. Thompson: I do not think you know what the functions of Robb Jetty are if you think that is what they were.

The Hon. D. J. WORDSWORTH: I know enough about Robb Jetty to speak about it.

The Hon. G. C. MacKinnon: He said that is the way it did work, not the way it works today.

The Hon. D. J. WORDSWORTH: One of the advantages claimed for the legislation is that it will keep the slaughtermen in the State and give them continuity of work so that they can be taken from Midland Junction Abattoir and used at Robb Jetty. But I have a query in relation to the abattoirs in the north; that is, whether it is a matter of keeping the slaughtermen in the industry or of keeping them in the city. I wonder whether the amalgamation of these two authorities and the keeping of more slaughtermen in the two works will have an effect on the abattoirs in the north.

Midland Junction Abattoir was expanded very rapidly when it became obvious that this State did not have enough facilities for killing the large numbers of stock which had built up, not only following the opening up of one million acres a year but also following the rapid development which took place in this State after the last world war. I think a great deal of the difficulty in the lack of killing space was due to Government interference. Private enterprise has not been encouraged to build abattoirs. This is unfortunate. Having scared private enterprise out of the industry, the Government had to step in very quickly and expand the Midland Junction Abattoir into a works which, because of its location and scope, was of the wrong type. It served the purpose of overcoming the difficulty but I think the difficulty would have been overcome in a better way had private enterprise been encouraged to build works and relieve the Government of the responsibility.

We now find we have this uneconomical works. It had to be expanded in the wrong areas. Its design is not very sound by modern principles and it cannot use labour to the best economical advantage. This works has become a pace-setter in the industry, not only in the cost of killing—and I think that is very important—but also in industrial arbitration. Members must agree that when a business becomes a Government business it is reflected in awards and the people who are employed in it come to be thought of more as civil servants than as being part of the industry which that service involves. Undoubtedly Midland Junction Abattoir has had a great effect upon the awards in the industry which have made the killing of stock so expensive in this State.

The Hon. S. J. Dellar: You are so busy knocking the workers that you forget you are talking about the future of the meat industry.

The Hon. D. J. WORDSWORTH: This legislation does not cover the future of the beef industry at all. It happens to be completely divorced from that. The honourable member is talking about the wrong Bill.

The Hon. S. J. Dellar: I said "the meat industry".

The Hon. D. J. WORDSWORTH: Now that some other abattoirs which are better designed have opened up, particularly in country areas, they are enjoying the fact that Midland Junction Abattoir, in its inefficiency, sets the price of killing in this State. If we did not have this large Government works and the industry had to set its own prices, I think they might be set at a lower rate.

The Hon. R. Thompson: I think the Tonkin Government promoted two abattoirs, at Esperance and Katanning.

The Hon. D. J. WORDSWORTH: I did not want to mention that subject, but the works at Esperance consists of an 8-foot piece of granite and a brass plate with "Tonkin" on it; so do not let us elaborate on that.

The Hon. R. Thompson: We offered you a Government guaranteed loan for Esperance.

The Hon. D. J. WORDSWORTH: Having dispensed with the abattoirs promoted by the Tonkin Government, let us get down to the ability of this proposed commission to trade. The Leader of the Opposition referred to his experience on his overseas trip when he saw Australian meat being sold short. With all due respect, I think he must agree that if a product is sold short it is because there are so many competitors that they are all trying to undercut each other. If the problem is that the industry is being sold short, we would be better off with fewer competitors. I

disagree with the Leader or the Opposition, but he said his experience showed that the industry was being sold short.

When one examines some of the reports of the beef industry, one finds they complain of just that fact, and many farmers' organisations have expressed the view that there should be one marketing authority. We had this with the Lamb Marketing Board. It is claimed that if there is only one organisation the industry will not be sold short. So I do not think that is a reason for giving the proposed commission the ability to trade.

What worries me about the ability of the commission to trade is that it will come in and buy stock out of the market place to keep the works going. Obviously it will have to pay more for those stock than is paid by those who are trying to make a profit out of the industry. Most traders, and particularly those who do not have any abattoirs, look at a pen of stock and have to buy them according to the contracts they have made overseas. They have to make the contracts according to what they think the market will be in the future. They will now have to take into account the fact that there could be a Government buyer coming in who intends to buy those stock not to make a profit but to keep the works going.

Indeed, that is the whole idea of this provision in the legislation—that the Midland Junction Abattoir can go in and buy, regardless of whether it is going to make a profit. The theory is that the profit will come out of the savings in loss by not having throughput at the works. One can imagine the difficulty private enterprise will have in competing with a Government instrumentality when, if it makes a loss, the Government will pick up the tab. There is no requirement that particulars must be given to anyone to show that it made a profit out of buying those stock. The Auditor-General does not examine the purchases of those livestock to see whether a profit was made. So while I agree that in theory it is an advantage to have another purchaser in the market, I can see that we could perhaps lose more purchasers or bidders than we would gain by the commission having the right to purchase.

I mention that because I feel it would be so easy to think about this matter quickly and decide that another purchaser would be a good thing. However, this could well frighten off a genuine dealer who wished to enter the market with the object of buying some livestock to make a profit.

The Hon. R. Thompson: Do you say that about wool—that we should sell it on the open market?

The Hon. D. J. WORDSWORTH: I do not think that has anything to do with it, or is any comparison at all.

The Hon. S. J. Dellar: It depends what you need to suit your argument.

The Hon. D. J. WORDSWORTH: I referred to the industrial aspect earlier. Rather than seeing difficulties in having two abattoirs under the control of one body, I believe that having many more men employed by the one commission could indeed lead to greater industrial unrest. I am not attempting to criticise anyone, but the more employees we have under the one roof, the more difficulties we are likely to have. There was an advantage in having the two abattoirs operating separately, because if some industrial problem arose, it would not be necessary for both works to go out at the one time. If, for example, unrest arose during the period of a spring flush, this point could prove to be very vital.

It was intended originally that complementary legislation would be introduced with this measure to set up a meat authority. If one examines the report of the beef industry inquiry, instituted by the member for Vasse in another place, one will find that the inquiry recommended legislation to set up an authority as well as a commission. It was anticipated that the authority would have various tasks. One of these would be to make recommendations as to the siting of future works and as to charges at Government works. Another would be to monitor the use of synthetics in the meat industry. I could go on for some time about the recommendations contained in that report.

The Hon. S. J. Dellar: Please don't!

The Hon. D. J. WORDSWORTH: This recommendation has not been incorporated in the Bill before us. It is rather disappointing that the two associated measures were not introduced simultaneously so that there could be some delineation of responsibility in the two organisations. Once this commission gets off the ground, it will be very hard to superimpose an authority on it.

We heard Mr Abbey talk for some time about the classification of beef animals. I agree this matter is very important, but I do not believe it is the responsibility of the proposed commission. In my opinion this classification would be the responsibility of an authority over and above the commission. In my opinion the commission should be designed simply to run the service organisations. While perhaps criticising the Government for not introducing this complementary measure, I must compliment it on the inclusion of an allocation to the Midland Junction Abattoir in this year's Budget.

The Hon. S. J. Dellar: How do you know we will let the Budget through?

The Hon. D. J. WORDSWORTH: I am complimenting the Government for the inclusion of this allocation. I will be very interested to see whether the honourable member will vote against this allocation.

The allocation to the Midland Junction Abattoir will overcome the difficulty I have referred to of the independent price setup. This \$½ million will help overcome the price discrepancy not only at the Midland Junction Abattoir, but also in the other abattoirs throughout the State. It will help put more of the consumer's dollar in the producer's pocket, as well as lowering the price to the consumer.

I mention these various points because I feel the legislation is not as straightforward as every speaker has indicated. The matters I have referred to could become of great importance in the next few years.

THE HON. T. KNIGHT (South) [7.50 p.m.]: Unlike my fellow colleague from the South Province (the Hon. D. J. Wordsworth) I do support the Bill. I believe the amalgamation of Robb Jetty and the Midland Junction Abattoir will be of great benefit to the industry and will help to secure and prolong job opportunities. I also wish to introduce into this discussion the fact that several months ago, at the time the beef industry actually collapsed, a small group of men in Albany formed what is known as the Southern Cattleman's Association. These men spent many hours and travelled many miles looking for the answer to the crisis which the beef industry was going through, and which it is still going through. Meetings were held in many places right throughout the great southern, and many aspects of the beef industry were discussed, one of these being the establishment of a Western Australian meat commission. I believe the amalgamation of these two abattoirs was one suggestion put forward by the association in its findings, which were made available to the meat industry inquiry.

The association recommended that there should be nine members on the commission rather than the present six. The idea behind the suggestion was to give the producers better representation on the commission. Looking at the composition of the commission, as set out in the measure, we see that two persons will represent the interests of the producers. The association wished for two more producer representatives and one other, making a total of nine members—a situation which would make a tied vote unlikely. The association outlined the functions of its proposed commission, and these were practically in line with the functions referred to by the Minister in his second reading speech, as follows—

- to engage in trade in meat, meat products, and livestock;
- to assume responsibility for and manage saleyards; and
- to do such other things as are, in the opinion of the Minister, necessary in the public interest in relation to the meat industry.

These are the very matters which the association thought should be the responsibility of the commission.

I attended most of the meetings of the association, and the general feeling of the producers right throughout the great southern was that they fully supported the young men who formed this association. The presence of the association in the great southern was of great benefit because of its endeavours to try to solve the problem. One of the matters mentioned by it—and Mr Wordsworth brought this up a minute ago—was the recommendation for the establishment of a meat industry authority—an authority over and above the Western Australian meat commission. The responsibilities of the authority would have been, as Mr Wordsworth said, to investigate the establishment of abattoirs, to take responsibility for finance and financing, and for the siting and establishment of meat halls, and particularly for the classification of carcasses. I believe, as many other farmers do, that these matters are of great importance, and with the formation of the commission and the amalgamation of the two abattoirs, we will find that carcass classification is inevitable. This classification will benefit also the abattoirs in my area and others outside the metropolitan area, as it will stabilise the work force and, as mentioned earlier by Mr Thompson, employees in the meat industry will find it much easier to obtain work and to have a continuity of that work.

As I said before, I support the establishment of the commission and I support the Bill. Most of the other speakers have covered many of the points I wish to raise, and as I prefer not to become involved in repetitive debate, I simply urge members to support the measure.

THE HON. D. W. COOLEY (North-East Metropolitan) [7.55 p.m.]: The Hon. D. J. Wordsworth should never be surprised when we support measures which are fair and reasonable. Fair-minded people never have any problems in reconciling their thoughts with rational arguments. I hope that at some time he may be able to persuade his colleagues to emulate our example and support something introduced from this side of the House. However, I would be inconsistent if I did not express my attitude towards this measure.

Like my colleagues I support the Bill, but I would like recorded my disappointment of or objection to the fact that the Government did not see fit to include a provision for a representative of the work force in the membership of the commission. I thought that in connection with this industry there was proper justification for the inclusion of a work force representative.

I have had only slight association with the meat industry except for

one brief traumatic period in 1969-70 when a serious dispute occurred involving most of the abattoirs throughout the length and breadth of Western Australia. I believe that if there had been some form of union participation on the board of management at that particular time, a terrible strike would have been averted. This strike was one of the worst in Western Australia's history in terms of human suffering by people on low incomes. Since that time, due to the proper involvement of the work force, there has been a better understanding between management and employees, and with the establishment of an industrial code, we have had a comparatively long period of industrial peace, and the problems have been ironed out to a large degree. The matter that created the greatest concern at that particular time was the attitude of the trade unions to the dispute. There was no conciliation at all between the work force and management, no intermediaries, and the strike would not have assumed the proportions it did had there been some worker participation on the Midland Junction Abattoir Board. In my opinion this measure presented a wonderful opportunity to provide for this representation on the board. It is true that the Bill provides that one member of the commission shall have extensive and relevant experience in the meat industry, but it is London to a gooseberry that this member will be an employer representative.

Anyone who suggests this representative would be an employee representative, would be quite naive.

Another example of the value of worker participation in this industry involves the export of live sheep. When an impasse was reached in the industry because of this matter, there was proper involvement of the employees. I believe the meat federation and the Government played a part in these negotiations, and representatives of the meat industry union were concerned in the dispute. As a consequence of that, a working arrangement was made. I understand that the problems which existed at that time no longer exist. I feel it is proper to have a representative of the work force on the commission. We could then create the situation which Mr Abbey was suggesting—instead of confrontation we could have consultation in the industry, to the benefit of all concerned.

The Government has said that the recovery of the economy depends on a better working arrangement between the work force and the employers. We should not be at arm's length in respect of these things when the opportunity arises. Government should play a part in bringing about a situation which will make industry work a little better. We should all be aiming for this objective of getting the economy on the move once again and any means that are at our disposal to achieve this should be taken advantage of.

One of the means by which we could bring about a better worker-employer relationship would be to include a workers' representative on this commission. I know it is a little late in the day to suggest this to the Government; in fact, I think it was suggested in another place. I simply repeat that I believe the Government has made a mistake by not including such a provision in this Bill.

THE HON. N. McNEILL (Lower West—Minister for Justice) [8.01 p.m.]: I am grateful for the interest the Bill has evoked from members, and also for the expressions of support, although some reservations have been expressed by a number of members at the lack of provisions contained in the Bill; I say that with particular respect to the remarks of Mr Wordsworth, who questioned the effectiveness of the philosophy behind the legislation.

Perhaps I can begin by speaking in general terms to some of the remarks made. I found it rather refreshing to hear Mr Leeson express a degree of concern that the establishment of this commission embracing Midland and what we know as Robb Jetty, with its power to trade in areas where perhaps private enterprise may not venture, may prove very costly and that we should have regard for the taxpayers. He considered that the question of cost was an important one, and that the operation of the commission should not become a burden.

I found that remark to be something of a revelation, coming as it did from the other side of the House because of late there has been a trend for the Opposition to believe the State should be prepared to accept any cost. In fact, I believe it goes even further than that; members of the Opposition frequently espouse the belief that there is an obligation upon the taxpayer and the community to accept such costs.

It was not inappropriate for Mr Leeson to express that point of view, because care must be exercised. However, we must recognise that it is not just a question of the cost of going into what may be unprofitable markets. The creation of the commission is designed to make the entire operation a more effective one and, through its trading operations, I believe the commission will be able to act as a service abattoir and a competitor in the market and will expand the trading opportunities and outlets for the Western Australian meat industry.

It would be negative and self-defeating to gear our thinking to a question of cost. We should be optimistic and adventurous and look for additional market outlets. I believe we are in a situation where we cannot afford to disregard these extra outlets. We cannot leave areas unexplored on the basis that it is too costly to move

into them. We must bear in mind that private enterprise may have no opportunity in financial or other terms to venture into these fields.

With the trading powers available to this proposed organisation, it will have virtually a responsibility to venture into these fields with the prime purpose of selling the product of Western Australia, hopefully on a competitive basis, and in fact to promote competition.

In saying that, I recognise the viewpoint expressed by Mr Wordsworth that just because the two institutions are to be combined, does not necessarily mean they will become more efficient. All members would recognise this argument; that will not automatically be the case. However, it certainly is one of the intentions of the legislation—and I believe, the best of intentions—because it has been clear for some time that greater economies could be effected in our method of operation. The combining of the two institutions will bring about greater effectiveness in management.

Quite apart from the existence of the commission itself, what becomes important is the management of the organisation. This brings me to the area referred to by a number of speakers, the last of whom was Mr Cooley who, of course, waved his banner once again on behalf of the trade union movement in requesting union representation. The Government does not believe that there needs to be a place on the commission for a union representative. I ask Mr Cooley to examine the representation which is provided for; no employer as such is provided for.

The Hon. D. W. Cooley: But there will be.

The Hon. N. McNEILL: If Mr Cooley wants to make assumptions, as he has done, that is his business; during the course of his speech he made certain assumptions which may or may not be valid. He said that to provide a place for someone with experience in the meat industry was as good as saying that that person would be an employer; but that is just an assumption.

The Hon. S. J. Dellar: It would be quite correct.

The Hon. N. McNEILL: I do not know who the representatives are to be.

The Hon. D. W. Cooley: It is against your Government's policy to appoint workers to boards.

The Hon. N. McNEILL: If Mr Cooley subscribes to the point of view that in order to have an effective operation of this commission we need to have representation on an employer-employee basis, obviously he is anticipating and recognising that problems will occur; such an

attitude only perpetuates these problems and represents a completely negative and reverse way of thinking.

Mr Cooley demonstrated this himself when he referred to the disastrous meat strike of the 1969 period. He went on to say that, following the strike, there were many years of industrial peace in the meat industry. So, by his own statement, it is plain that we do not necessarily need to have union representation in order to achieve industrial peace; it can be achieved without this. We must bear in mind that the organisation will have a manager—virtually the employer—working with whomever is engaged in the operation of the industry in order to achieve industrial peace.

The Hon. S. J. Dellar: The present management works in such a way.

The Hon. N. McNEILL: That is right; one does not need union representation as such on the commission.

The Hon. D. W. Cooley: What if the present manager were to leave and the former manager were to return?

The Hon. N. McNEILL: Mr Cooley says "What if?" He deals in hypothetical situations, but this legislation deals in facts. I will not argue at length on the proposition expounded by Mr Cooley and other members. We understand that, no doubt as a consequence of instructions they have received and which they are bound to observe, members opposite are plugging to achieve union representation.

The Hon. R. Thompson: What do you mean by that?

The Hon. N. McNEILL: I think I made myself fairly clear, Mr President.

The Hon. R. Thompson: I will tell you right now that nobody has mentioned that matter to me. I made my speech because I wanted to make it.

The Hon. N. McNEILL: I will not argue with that comment from the Leader of the Opposition.

The Hon. R. Thompson: You cannot argue with it because it is true.

The Hon. N. McNEILL: But Mr Cooley made it fairly clear.

The Hon. D. W. Cooley: I was speaking about a principle.

The Hon. N. McNEILL: Oh, yes! Mr Wordsworth and Mr Abbey referred to the report of the Meat Industry Advisory Committee, and Mr Abbey referred to the Liberal Party's attitude to the establishment of a commission and an authority. Although this is outside the scope of the Bill, I believe the question of an authority will receive continuing consideration.

However, the fundamental thing is to establish the management and operation of these abattoirs as a first step; one step

at a time is good progress. The general operation of an authority, in whatever form it might be contemplated, is outside our present consideration.

The Leader of the Opposition and Mr Leeson referred to the fact that a Select Committee currently is investigating the meat industry and he expressed the opinion that this legislation should be deferred until the committee presents its report. I believe the report is due by the 4th November, but I doubt whether it will be available by that time. In fact, I doubt whether it will be prepared and available by the end of the current parliamentary session, whenever that may be.

What is important is to return to the two major factors in respect of this legislation. One is that this Bill deals with the creation of an industrial enterprise operating within the meat industry. If in fact the Select Committee comes up with recommendations or expresses viewpoints in respect of the meat industry generally and, more specifically, the trading operations of the abattoirs, that will be the time to deal with the matter. However, I remind the Leader of the Opposition that clause 2 of the Bill lays down that the Bill will come into operation on a date to be fixed by proclamation, so there will be ample opportunity to consider any recommendations which may come forward.

The Hon. R. Thompson: I would like the third reading to be delayed, so that if there are any amendments proposed you will not have to introduce another Bill.

The Hon. N. McNEILL: The prospects of that being done are quite remote. Conceivably we would not have a report from the Select Committee of the Legislative Assembly before the end of the present session. It is vital that action be set in motion to enable the meat commission to rationalise all these works.

The meat industry is somewhat at stake in terms of economic and financial circumstances, and the earlier the commission is brought into being the better it will be, bearing in mind that it will be quite some time before this legislation is proclaimed. It will be necessary for certain regulations to be prepared, and that will take some time.

As to the desire of the Leader of the Opposition to delay the third reading, I do not think that is practical in the circumstances. I hope the Bill will be taken through the various stages.

The Hon. R. Thompson: I draw attention to the fact that there is an indication on the Notice Paper of the Assembly that the Meat Industry Select Committee is to report by the 4th November.

The Hon. N. McNEILL: That interjection is correct. By deferring the third reading we would be delaying the proceedings unnecessarily, taking into account

the necessary action that will follow from that report and we will not be able to get the legislation through this session.

If the report of that Select Committee is forthcoming by the 4th November next, and amendments are considered absolutely vital and they affect the operation of the legislation, then that factor will be taken into account in fixing the date of proclamation.

I do not think there is any need for me to comment further on the points that have been raised in the debate. I appreciate the support the Bill has received.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (the Hon. Lyla Elliott) in the Chair; the Hon. N. McNeill (Minister for Justice) in charge of the Bill.

Clauses 1 to 17 put and passed.

Clause 18: Section 12 amended—

The Hon. S. J. DELLAR: This is probably one of the most important clauses in the Bill. It deals with the constitution of the proposed meat commission. In his second reading speech the Minister said there will be a commission consisting of six persons to be appointed by the Governor. I would refer the Minister to what he stated earlier when he drew attention to what Mr Cooley said in relation to this clause, and to the proposition Mr Cooley put forward that perhaps an employees' representative should be appointed to the commission.

The Minister more or less accused Mr Cooley of putting that proposition forward as a result of pressure from outside influences. All Mr Cooley was doing was to be consistent. I am sure the Minister will recall that when the Tonkin Government was in office, on a couple of occasions we attempted to have a representative of employees appointed to certain boards. However, the composition of this Chamber being what it was, we were not successful in our efforts, because that proposal was contrary to the philosophy of the then Opposition.

The Leader of the Opposition said that with the present management of the Midland Junction Abattoir Board we have seen a long period of happy relationship between the employees and the management. Of course, the present manager (Mr Wilson) is recognised as a person who is prepared to bring about co-operation between the employees and the management.

Perhaps in future the proposal to have employee representation on boards will be adopted. At present we do not have the type of management which is prepared to co-operate with and to take notice of the employees.

Proposed section 12 (2) states—

(2) The Commission shall consist of six persons appointed by the Governor as members, of whom—

- (a) one shall be a person having relevant marketing experience;
- (b) one shall be a person having relevant experience in financial management;
- (c) one shall be a person having extensive and relevant experience in the meat industry;

Perhaps the Minister could advise us of the reasons for the difference in the qualifications of the different members of the meat commission. Under paragraphs (a) and (b) these members are required to have relevant experience in their particular fields, whereas under paragraph (c) the member is required to have extensive and relevant experience in the meat industry.

In view of the important task which the meat commission will be asked to undertake, I am of the opinion that all members appointed to the commission by the Governor should be required to have extensive experience in their particular fields. Mr Wordsworth and other members have referred to the importance of this commission.

The Hon. D. J. Wordsworth: I cannot hear you.

The Hon. S. J. DELLAR: The honourable member should listen more intently.

The Hon. G. C. MacKinnon: We are straining to hear.

The Hon. S. J. DELLAR: For the benefit of the Minister and other members opposite I am asking why it is not specified in this clause that all members of the meat commission are required to have extensive and relevant experience in their particular fields.

In view of what Mr Wordsworth and other members have said about the importance of the commission and its effect on the meat industry of this State, I am of the opinion that all members of the commission should be required to have extensive experience, and not only relevant experience, in their particular fields.

The Hon. N. McNEILL: I shall put forward a slightly different viewpoint. Under paragraph (a) the requirement of the member of the commission is to possess relevant marketing experience. Obviously what is intended is that a person with marketing experience which is relevant to the meat industry and the abattoir trading situation will be appointed. It is not surprising to find a requirement for a member of a board to have relevant experience rather than extensive experience.

I do not know whether there is any merit in discussing this point at great length. I am sure members have their

own viewpoints as to what is intended by the provisions in this clause. Paragraph (c) provides that one member of the commission shall be a person having extensive and relevant experience in the meat industry. In those circumstances one could say that the use of the word "extensive" could apply in a geographical sense which goes beyond the specific experience required of members of the commission for the purpose of running abattoirs and State trading concerns. It is necessary to confine the word "extensive" to that aspect, in order to overcome the specialist interest.

One could have relevant experience that is not sufficient for a particular function which a member of the commission is required to carry out. The same remarks apply to the appointee under paragraph (b).

The question should be asked: Why should we not lay down a requirement of extensive and relevant experience in financial management? What we are looking for is expert and specialised experience, and not extensive experience, which is relevant to financial management of a concern such as this. I am sure that members, particularly those with close association with the abattoir industry and more particularly with Midland Junction Abattoir, will be aware of some critical comments which were made in the second reading debate in relation to the financial set-up.

This has been recognised by the Government in settling down the requirement of a member of the proposed meat commission to have specialised knowledge in the field of financial management, in order that the whole position of Midland Junction Abattoir will be vastly improved.

I now refer to paragraph (c) which requires the person appointed to the commission to have extensive and relevant experience in the meat industry. One could contend that the word "extensive" could be omitted. Relevant experience in that instance could relate specifically to an abattoir, to the wholesaling and distribution of meat, or to the retailing of meat. Such experience could be confined to any aspect of the meat industry covered by the operations of the meat commission.

I believe the Government would be looking for a person with very wide experience. That is why I used the term, "geographical"—perhaps not the most appropriate word. It will be a person with the widest possible experience in the meat industry who will possibly introduce something completely new. I believe that is why the word "extensive" is used. He will not be specialised in any particular aspect.

The Hon. R. THOMPSON: Proposed new subsection (10) of section 12 reads—

(10) A resolution agreed to by a majority of the members of the Commission present at the meeting shall

be the resolution of the Commission, and in the event of the votes being otherwise equal the Chairman shall have a casting vote in addition to his deliberative vote. ;

This is a departure from legislation which has come before us over the past few years. We have allowed deliberative votes, but casting votes have gone by the board. Is there any particular reason for the inclusion of the provision for a casting vote?

The Hon. N. McNEILL: I think the purpose is to try to keep the construction of the commission down to the best possible minimum. I know it might be claimed that a situation such as that envisaged could have been obviated by additional representation on the commission.

The Hon. R. Thompson: I was not introducing that aspect.

The Hon. N. McNEILL: Let me hasten to assure the Leader of the Opposition that I was not suggesting or hinting at that. I was saying it could be claimed that the necessity for a casting vote could be obviated by the appointment of an additional member to the commission.

Bearing in mind that a very desirable feature of the proposed board is to have it as small as possible, I believe the number of times a body such as this would resort to a vote would be minimal. In fact, I doubt whether it would ever occur, but provision has to be made for such an eventuality. Obviously, if an even number of members of the commission constituted an even vote on a question, it would have to be resolved one way or the other. In order to obviate the position, which arises in this Chamber, of an even vote resulting in a negative vote, or the *status quo* remaining, provision has been made for a casting vote.

The Hon. R. Thompson: The proposal could bring about a double negative on many occasions. If the chairman was opposed to a proposal he would have a deliberative vote and a casting vote.

The Hon. N. McNEILL: I think not. A decision achieved in that manner would be confirmed. It would certainly clear the air rather than have a matter fall by the wayside because an additional vote was not available.

The Hon. R. Thompson: I hope the Minister will look closely at this matter in the future. I do not like the provision.

The Hon. N. McNEILL: I recognise there could be arguments against the proposal. I think the provision is included for the purpose of avoiding what might otherwise be an impasse.

Let me restate that I am sure we all appreciate—those with knowledge of organisations of this calibre—that the persons who comprise the commission will decide on the consensus of opinion rather

than the necessity to resort to votes. I think that would be the most effective way for the commission to operate.

The Hon. R. Thompson: Where in the Bill is it stated who will become the chairman of the commission?

The Hon. N. McNEILL: I think the provision is in the parent Act.

The Hon. R. Thompson: I do not have it with me. We did not have a commission previously. Perhaps the chairman of the Midland Junction Abattoir Board is to become the chairman of the commission.

The Hon. N. McNEILL: Although the position is not provided for in this Bill, I believe it is contained in the parent Act.

The Hon. D. W. COOLEY: I rise for the purpose of replying to the Minister in respect of my banner waving when speaking during the second reading debate. I can understand the attitude of the Minister to my suggestion about worker participation because he understands the policy of my party. However, at every opportunity we will endeavour to have representatives of the work force included on boards of management, particularly of Government enterprises. They should be there.

In some parts of the world there is a 50 per cent worker representation and a 50 per cent employer representation on the management boards. Bills such as the one now before us emphasise the anti-worker policy of the Minister's party in respect of all matters, and its attitude is well known.

I would like to know how much consultation took place with the producers—who have a double voice on the board, with the employers—who will no doubt eventually have a voice; and with the trade union movement. When the present Government is in office we have a very small voice from this side.

The Hon. N. McNEILL: Not surprisingly, Mr Cooley has taken some exception to the comment I made.

The Hon. D. W. Cooley: I did not take any exception; I accepted it.

The Hon. N. McNEILL: Mr Cooley said he accepted my viewpoint when I said he was under an obligation to espouse the cause of worker participation. I say again that in a body such as that which is proposed the workers do not need representation on it in order to achieve effective worker participation, or good employer-employee relationships. That is not a necessary ingredient in order to achieve that particular objective; it can be done otherwise. If the objective can be achieved without the necessity to resort to discussions, so much the better.

Mr Cooley also asked the extent of consultations which took place with various organisations. Not being the Minister

responsible for the preparation of the legislation I cannot give him the details, chapter and verse. I am prepared to state I believe there would have been consultation with the various sections of the industry but, more particularly, great regard was had for the report of the Meat Industry Advisory Committee. It is probably appropriate if I acquaint this Committee with the membership of the Meat Industry Advisory Committee. In providing these details let me say I recognise that this Bill does not completely and faithfully reflect all the recommendations of the MIAC report. Nevertheless, due regard was had for the many months of consideration given to the total question by the MIAC.

The present representation of the committee is Mr C. C. Bennett, Chairman, whom we all know very well, from the WA Meat Export Works; Mr J. Craig, from the Department of Agriculture; Mr Jack Neil, also from the Department of Agriculture; Mr R. Boylen, from the Department of Industrial Development; Mr J. Phelan, representing mutton producers; Mr R. L. Lewis, representing beef producers; Mr M. T. Locke, from the Meat and Allied Trades Federation; Mr R. D. Hartwell, from the Commonwealth Department of Agriculture; Mr R. Trevaskis, representing private abattoirs and exporters; Mr M. Burns, representing the Meat Industry Employees' Union, and Mr G. Cann, the Secretary.

Whilst I do not know Mr Burns, personally, I am very much aware of the extent of his involvement in all the consultations with the Meat Industry Employees' Union and, in fact, his many other activities associated with the meat industry—even in the area of livestock exports. I hope that in providing that information I have satisfied Mr Cooley.

Clause put and passed.

Clauses 19 to 40 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

WORKERS' COMPENSATION ACT AMENDMENT BILL

In Committee

Resumed from the 15th October. The Chairman of Committees (the Hon. J. Heitman) in the Chair; the Hon. G. C. MacKinnon (Minister for Education) in charge of the Bill.

Clause 2: First Schedule amended—

The CHAIRMAN: Progress was reported after clause 2 had been partly considered.

The Hon. D. W. COOLEY: I express my appreciation of the amendments that appear in the Minister's name in respect of clause 2. The Minister's amendments suit

the needs I was endeavouring to obtain in respect of my amendment. His amendment is as good as if not better than the amendment I was proposing. It makes the wording more specific. While we still do not agree with the clause proposed by the Government I would point out that I do not intend to move the amendments I have on the notice paper because, as I have indicated, the Minister has already covered this aspect.

Clause 2 is all-embracing and it goes back to the opposition we have to the Bill. Clause 2 is intended to replace the existing clause in the first schedule, and we have already voiced our objection to this; and with the exclusion of the regular hours worked over and above the 40 hours. Paragraph (d) of proposed new clause 2 reads as follows—

- (d) any bonus or incentive (except over-award payment), shift allowance, week-end or public holiday penalty allowance, district allowance, industry allowance, meal allowance, living allowance, clothing allowance, travelling allowance, or other allowance.

There are provisions in a number of awards for shift penalties which make up the regular pay of a worker. For example, in respect of a worker working a regular day, afternoon, and night shift he can under standard provisions—and I understand they are standard provisions—be paid 15 per cent for his night shift, 10 per cent for his afternoon shift, and ordinary pay for his day shift. This is so in most instances.

Some workers do claim penalties for day shift but that is spread over three weeks to give to the worker a penalty of $8\frac{1}{3}$ per cent per week. If the workers are on \$100 a week they would be entitled to \$108.30. If they are injured during the course of their shifts and are totally incapacitated as a result of that injury, and required to lose time, their rate then drops back to \$100 a week. The \$8.30 they normally earn year in and year out for the disability associated with shift work is taken away from them because they happen to have suffered an accident at work.

That does not seem to be reasonable at all, and I would like the Government to have another look at the matter. Some of the penalties associated with this clause may not be reasonable when a worker is on workers' compensation. For instance, a meal allowance could scarcely be claimed by a worker if he is injured; the same applies to clothing allowance and travelling allowance; though I believe travelling allowance is provided for elsewhere in the Act—if the worker is required to travel from his place of residence to a specialist or a doctor of the employer's choice.

So we should have a good look at these penalties and the Government should explain its attitude and its reason for seeking to have them removed from weekly earnings.

The Hon. G. C. MacKINNON: I find myself in something of a quandary. The motion you put, Sir, was that the clause should stand as printed. While I appreciate what Mr Cooley said when indicating he would like to withdraw his amendment, I would point out that my amendment relates to line 9 of paragraph (a) on page 2. Mr Cooley proceeded to discuss paragraph (d) which is actually past the point of my amendment and I wonder whether I am now in order in moving my amendment.

The CHAIRMAN: The Minister is quite in order and he may move his amendment.

The Hon. G. C. MacKINNON: Thank you, Sir. I move an amendment—

Page 2, line 9 of paragraph (a) of proposed new clause 2 of the first schedule—Delete the word "injury" and substitute the word "incapacity".

As I have already said, this is not essential, but if the President of the TLC is not sure that it covers the situation, then lesser people reading the Act would also have the same trouble.

The Hon. S. J. Dellar: What has the President of the TLC to do with this?

The Hon. G. C. MacKINNON: He is well aware of the legislation and I want to make the matter crystal clear to anyone who reads this legislation out in the field. We should make the legal situation clear as to what a worker is paid for holidays and injuries and that he is paid at the time he takes the time off and not when it falls due.

The Hon. D. W. COOLEY: The Minister has altogether a wrong conception of this aspect. I have indicated that it is in accordance with my thinking, but to talk about a worker going on holiday after he is in receipt of injury pay is not the question at all; the wording in the Bill indicates that the worker shall be paid a week's remuneration at the time of the injury.

It has been workers' compensation law for some time that he is paid at the time of incapacity. If a worker suffered an injury 12 months ago—for argument's sake let us say it was a back injury covered under the first schedule of the Act—then under the present Act if he has a recurrence of the injury in this week he will be paid at the rate applicable to his salary at this week, not at the rate applicable at the time of his injury in 1974. There is a difference and a principle involved.

It should be made clear. It is not only the President of the TLC who interprets

these things, and if this provision went out in the form proposed by the Government it would not be long before a smart lawyer could take it up and, as a result, a large number of workers could suffer some injustice.

Under the first schedule payments for injuries are an ongoing arrangement regardless of the salary at the time of the worker's injury.

The Hon. G. C. MacKINNON: I am glad Mr Cooley agrees with me except in his final interpretation of what I said about holidays in relation to injury. It has always been the legal interpretation, with which Mr Cooley agrees, that if a worker delays his holidays he takes them at the ruling rate at the time he eventually takes those holidays; and if his injuries show up, then under the workers' compensation law he is paid at the rate at that time, not at the rate applicable when the accident occurred. If the injuries show up later that is the time that is taken for purposes of payment.

I am informed the changing of the word would make no difference to the interpretation but, I repeat, this amendment is necessary, particularly if so eminent a person as the President of the TLC finds it confusing. I think it is better to change the word and I am being most co-operative.

Amendment put and passed.

The Hon. G. C. MacKINNON: I move an amendment—

Page 2, line 11 of paragraph (b) of proposed new clause 2 of the first schedule—Delete the word "injury" and substitute the word "incapacity".

Amendment put and passed.

The Hon. G. C. MacKINNON: I thought I answered the questions asked by Mr Cooley during the second reading debate. This Bill was the subject of an Honorary Select Committee, the members of which were myself as Chairman, together with Mr Logan and Mr Dans.

We brought down a unanimous decision, which was agreed to by the Parliament. The intention of that decision at the time was crystal clear: it was to cover 100 per cent of the award wages, plus any over-award payment agreed to, for all workers in that category wherever they may work in the State. It was specifically to exclude the items which Mr Cooley mentioned.

It is wrong that because of the failure of a draftsman or of this Parliament to write the provision clearly enough a judicial decision should change the whole nature of what was decided by this Parliament. Clearly that is what happened, and it is right that we should now make the provision crystal clear. We always check, and we believe the intent of Parliament is conveyed in the words used in legislation, but sometimes when the matter goes to a

court it turns out that what we intended is not reflected in what we produced, so we have to bring back amendments to change the law. That is not unusual.

In this case we have brought down an amending Bill to clarify the situation. This was determined by a unanimous decision by the Hon. Les Logan, the Hon. Des Dans, and myself on the previous occasion, and was accepted by the Parliament. Now it is being written into the Act more clearly.

Mr Cooley may believe that these things ought to be changed; but that is not the purpose of this Bill. I do not think it is right that a judicial decision should alter the situation in a way that was never the intention of Parliament.

The Hon. D. W. COOLEY: The final sentence of paragraph (k) of the report of the Select Committee states that the committee also recommends that no other bonuses, allowances, or overtime should be taken into a calculation of weekly earnings. I am not suggesting bonuses should be included. I have indicated that the exclusion of overtime perhaps could be justified, but certainly not for regular work over and above 40 hours. That leaves us with allowances. I do not know whether the Select Committee interpreted that a shift penalty is an allowance.

The Hon. G. C. MacKinnon: We said it was an allowance.

The Hon. D. W. COOLEY: An allowance for what purpose?

The Hon. G. C. MacKinnon: Not to be included.

The Hon. D. W. COOLEY: That was not specifically stated in the report; the report refers to bonuses, allowances, or overtime.

The Hon. G. C. MacKinnon: We thought that covered everything.

The Hon. D. W. COOLEY: As a higher authority determined what the Parliament thought—

The Hon. G. C. MacKinnon: No, it did not determine; the higher authority made a decision based on the words used in the legislation. It merely told us that we were not explicit enough.

The Hon. D. W. COOLEY: The Minister has the advantage of having been on the Select Committee.

The Hon. G. C. MacKinnon: Ask Mr Dans; he was on it.

The Hon. D. W. COOLEY: I accept what the Minister says. However, I have never regarded a penalty as an allowance. I always thought it is something a worker obtains for doing extraordinary work that imposes a certain amount of hardship upon him. A worker may be paid a shift penalty week in and week out, but when he is on compensation it is denied to him. Over-award payments are specifically

included, and the Bill goes on to include industry allowances. How an industry allowance can be interpreted in any way other than being an over-award payment is beyond me.

I quote the case of the railway worker who is being paid an industry allowance of \$3.50 in his ordinary weekly earnings. He is on a margin over the minimum wage of \$9.20, an industry allowance of 75c, and a loading of \$2.75. That total of \$12.70 was part of his pay. In that case the amount of \$3.50 would be deducted from his ordinary weekly rate of pay because the Bill says that industry allowances should not be included; yet in fact it is described in the communication I have received from his union—and confirmed by notice from the Railways Department—as an industry loading and not an allowance as such. It is something over and above his ordinary weekly rate of pay, and to all intents and purposes it is an over-award payment.

If this Bill is passed that worker, along with a number of other workers, will be denied this loading. I do not think the recommendation of the Select Committee was as all-embracing as the Minister said it was.

The Hon. G. C. MacKinnon: I was there, as was Mr Dans, and I assure you that was the intention.

The Hon. D. W. COOLEY: Then we come to district allowances which are paid regularly to workers for living in remote areas where the cost of living is considerably higher than in more centralised areas. If one looks only through the railway employees' award—and there are many other awards which include these allowances—one finds the list includes towns like Coolgardie, Norseman, Esperance, Boulder, Southern Cross, Kalgoorlie, and Meekatharra. The allowances range from \$1.46 to \$9.87 for a married man. If this Bill becomes law those allowances will be taken away from workers on compensation. I wonder if the Minister could indicate whether the Select Committee specifically referred to district allowances.

The Hon. G. C. MacKinnon: I unequivocally assure Mr Cooley that it did, because I made the point myself.

I suggest to Mr Cooley that, in his capacity as President of the Trades and Labor Council, he would better serve the purpose of the workers if he took every opportunity to point out that workers' compensation is a very valuable part of working conditions and that the increases brought about as a result of the recommendations of the Select Committee were very acceptable to the workers.

The increases should not really have resulted in a steep increase in insurance premiums. Nevertheless, as Mr Wordsworth pointed out, the premium has gone

from 75c to about \$7 and there is a serious suspicion that the increase has been brought about because now that the compensation rates are so high there is no real encouragement for certain types of workers to return to work. In other words, they are nearly as well off on compensation as they would be if they returned to work. As a result of that increased absenteeism, the insurance premiums have increased. The suspicion fits the fact, because the increase in the premiums has been tremendous.

This must act against the best interests of the workers, because had the increase in insurance premiums been in proportion to the increase in the rates paid to injured workers, one would expect the fees to increase to, perhaps, \$2, after taking inflation into account. However, the fee has increased to \$7.

Had the amount increased to \$2 the large employers in private industry could have afforded that increase. However, despite what everyone says, factories cannot really put up their prices as they wish. Certainly they could not until the Canberra Government introduced this silly arrangement of prices justification; because they could only increase their prices to what the people would pay, and after that people would stop buying.

From all over the country I have heard criticism of the savage increase in insurance premiums for workers' compensation, and that increase is quite out of proportion to the increase in the rates of workers' compensation upon which this Chamber insisted. I have not seen insurance companies showing an extreme profit from workers' compensation. Members know they do not. It would seem to me that the President of the TLC ought to adopt that line of thinking, because it would be better for the workers who are subject to workers' compensation laws.

The Hon. D. W. COOLEY: The Minister does not denigrate the workers, myself, or anyone else when he says the workers do not go back to work when they have recovered from their incapacity. In fact, he denigrates the medical profession.

Point of Order

The Hon. G. C. MacKinnon: I must object. I did not say that workers do not go back to work. I said there is a suspicion abroad to that effect and I further said that the suspicion tended to be reinforced by the fact that insurance premiums increased from 75c to \$7. Mr Cooley can check *Hansard* if he likes; he will find that is what I said.

Committee Resumed

The Hon. D. W. COOLEY: I accept the Minister's comments. In that case, the suspicion is not levelled against the workers, but must be levelled against the medical profession.

The Hon. D. J. Wordsworth: You are joking.

The Hon. D. W. COOLEY: I do not know why Mr Wordsworth should say that, because a worker cannot remain on compensation unless he has medical evidence to support his incapacity.

The Hon. G. C. MacKinnon: You know the Act better than that.

The Hon. S. J. Dellar: Slam the workers.

The Hon. D. W. COOLEY: Tell me of any insurance company that will pay compensation without a medical certificate?

The Hon. G. C. MacKinnon: We are not slamming the workers. Mr Cooley is saying we are slamming the doctors. Why don't you two make up your minds?

The Hon. D. W. COOLEY: The facts of the matter are that no worker can obtain workers' compensation unless he has medical evidence to support his claim. Employers are not so benevolent that a worker can go to them and say, "I think I am suffering from an injury; will you pay me compensation?" If there is any suspicion abroad it would have to be levelled at the members of the medical profession and not the workers.

The Minister has plucked two nebulous figures out of the air. I gave one figure to Mr Wordsworth that related to the building industry in 1971. By way of interjection I said that the premiums in the building industry increased by 75c a week for each worker. Mr Wordsworth has said he has to pay his shearers \$7 a week extra to insure his shearers so that they may be granted a full makeup pay. This is used as a general guide; that is, to make the statement that there has been an increase from 75c to \$7 a week; but that is not a fact. There are many workers who are covered by workers' compensation who never make any claims. The examples I can cite are those who work under the clerical workers' award and many other nonmanual workers who are employed in other industries. There is only a light load imposed on employers so far as those workers are concerned.

In any case, the Premiums Committee is established under the Workers' Compensation Act and this committee sets the premium rates. From my understanding of the Premiums Committee there is always a 30 per cent profit margin between the premiums and the claims that are made from time to time, and the premiums are adjusted accordingly. So whilst there may be a great caterwauling among employers about the increase in compensation payments, this increase has only been felt in some areas. We never hear of the enormous profits that are made by insurance companies. Only a few workers have been paid as a consequence of the Kezich decision. I think I am right in saying that case is almost unique in character.

In fact, I do not think the insurance companies are paying on that decision at present. They refuse to pay on such a determination.

So to make these statements about the work force is quite misleading, especially when the Minister tries to denigrate the work force.

The Hon. G. C. MacKinnon: I did not denigrate the work force; I did not even mention it.

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

Ayes—13

Hon. N. E. Baxter	Hon. N. McNeill
Hon. G. W. Berry	Hon. I. G. Medcall
Hon. H. W. Gayfer	Hon. J. C. Tozer
Hon. T. Knight	Hon. W. R. Withers
Hon. A. A. Lewis	Hon. D. J. Wordsworth
Hon. G. C. MacKinnon	Hon. V. J. Ferry
Hon. M. McAleer	(Teller)

Noes—8

Hon. R. F. Cloughton	Hon. R. H. C. Stubbs
Hon. D. W. Cooley	Hon. R. Thompson
Hon. S. J. Dellar	Hon. Grace Vaughan
Hon. R. T. Leeson	Hon. Lyla Elliott
	(Teller)

Pair

Aye

No

Hon. Clive Griffiths	Hon. D. K. Dans
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Clause, as amended, thus passed.

Title put and passed.

Bill reported with amendments.

House adjourned at 9.23 p.m.

Legislative Assembly

Tuesday, the 21st October, 1975

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

QUESTIONS (9): ON NOTICE

1.

HEALTH

Arteriosclerosis: Treatment

Mr DAVIES, to the Minister representing the Minister for Health:

What is the present position regarding introduction of the Dr Moeller treatment for arteriosclerosis?

Mr RIDGE replied:

Computer-controlled equipment for the accurate measurement of muscle blood flow has now been installed in the investigating laboratories at Sir Charles Gairdner Hospital. This equipment will enable the research