more serious crimes of life, and the ultimate sentence should be carried out on conviction of such crimes. In the intervening period I have thought about this a lot, and I now feel it would be very difficult to say which crimes deserve a sentence of hanging and which crimes deserve a sentence of a long period in prison. This is an extremely difficult question to answer.

As I said before, I am certain we must have some deterrent to the new form of crime which we are faced with today. Instead of piracy on the high seas as we had in the old days, we now have piracy in the air. This is a major crime and it threatens more human life at one time than anything else we can imagine. It is one of the worst crimes we see today. Rather than support an experiment with the abolition of capital punishment, I believe we should retain it. I know that any man intending to commit a crime in Western Australia at the present time knows he will not pay the ultimate penalty. Of course, murderers have been hanged under Labor Governments in the past, but that would be a long time ago.

I have expressed my own feelings on the matter tonight, and I hope my remarks contribute to the debate. I regret that I cannot with a clear conscience vote for the Bill.

Debate adjourned, on motion by The Hon. R. F. Claughton.

House adjourned at 10.41 p.m.

Legislative Assembly

Tuesday, the 17th April, 1973

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

ADDRESS-IN-REPLY

Presentation to Governor: Acknowledgment

THE SPEAKER (Mr. Norton): I have to announce that, accompanied by the member for Canning (Mr. Bateman), the member for Perth (Mr. Burke), and the member for Blackwood (Mr. A. A. Lewis), I attended upon His Excellency the Governor and presented the Address-in-Reply to the Speech of His Excellency the Governor in opening Parliament. His Excellency the Governor has been pleased to reply in the following terms—

> Mr. Speaker and Members of the Legislative Assembly,
>
> I thank you for your expressions of loyalty to Her Most Gracious Majesty the Queen, and for your Address-in-Reply to the Speech with which I opened Parliament.

SWEARING-IN OF MEMBER

THE SPEAKER (Mr. Norton): I have received the writ issued for the electoral district of Bunbury, and from the returns indorsed thereon it appears that Mr. John Sibson has been duly elected to serve in the Legislative Assembly as member for the electoral district of Bunbury. I am now prepared to swear in the honourable member.

The honourable member took and subscribed the Oath of Allegiance and signed the roll.

PUBLIC ACCOUNTS COMMITTEE

Report

MR. HARMAN (Maylands) [4.35 p.m.]: I present to the House the sixth report of the Public Accounts Committee. I move—

> That the report be received.

Question put and passed.

MR. HARMAN (Maylands) [4.36 p.m.]: I move—

> That the report be printed.

I would like briefly to mention one or two points in relation to this report for the benefit of members. The report was brought about by comments, some adverse, made by the Auditor-General in his report submitted to Parliament for the financial year ended June, 1972. The committee saw itself as having a responsibility to investigate the comments made by the Auditor-General concerning some Government departments.

In the course of its examination, the committee endeavoured to pinpoint the problems confronting some of the departments, to examine what remedies had been taken to improve the situation, and finally, to bring before this Chamber the deliberations of the committee.

In asking that the report be printed, I propose to have the report circulated amongst the Government departments so that they will understand the manner in which the Public Accounts Committee goes about investigating this particular area. Hopefully the committee sees this action as a move to improve the standard of accounting in Government departments.

As a plug for the committee, I would like to mention the comment made by the Auditor-General when he referred to departmental accounting in his last report. He said—

> Attention was drawn in my last report to certain sub-standard accounting in some government departments. There has been an overall improvement in the accounts mentioned and action has been taken to place the accounts in order. In my opinion this

has been prompted to a large extent by the activities of the Parliamentary Accounts Committee.

Finally, I would like to thank the other members of the committee for their splendid co-operation. I would also extend the committee's thanks to our secretary for his assistance during this particular examination.

Question put and passed.

QUESTIONS (26): ON NOTICE

1. TEACHING HOSPITALS

Computer Information Systems

Mr. HUTCHINSON, to the Minister for Health:

(1) Will he advise what progress has been made so far in the development of computer information systems for teaching hospitals?

(2) What planning has been done to implement this information service?

Mr. DAVIES replied:

(1) Tenders have closed for the supply of sufficient equipment to produce a demonstration computer system. A decision as to the successful tenderer is expected shortly.

Following the acquisition of further equipment the first hospital is expected to have this service in early 1975.

(2) The information systems have been defined by inter-disciplinary working parties composed of:

(a) senior hospital medical staff;

(b) senior hospital administrative staff;

(c) senior officers of hospital service departments;

(d) data processing professionals.

A further four months planning effort is required when a decision has been made as to which computer vendor is the successful tenderer.

2. DEVELOPMENT

Kwinana Industrial Land

Mr. RUSHTON, to the Minister for Development and Decentralisation:

(1) Was the Industrial Development (Kwinana Area) Bill introduced in 1952 for a specific purpose?

(2) What was the purpose?

(3) How much land—

(a) private;

(b) State;

(c) Commonwealth,

was covered by the price blanket?

(4) For how long did the price blanket apply?

(5) What area of the land included in the Bill was zoned for industrial purposes?

(6) How much of the industrially zoned land is still available for new industry?

(7) Will he please list the similarities between the Kwinana industrial planning and that proposed for the northern development at Mullaloo, Yanchep and Moore River?

(8) Has the Fremantle Port Authority considered the development of the proposed northern harbour?

(9) What is the present preliminary cost of creating the harbour?

Mr. GRAHAM replied:

(1) Yes.

(2) To acquire and deal with certain land for industry and other purposes, and for incidental matters.

(3) (a) 25,000 acres;

(b) 7,000 acres;

(c) 3,000 acres.

(4) From 27th March, 1952, to 31st December, 1953.

(5) No specific zoning covered the area in 1952, but, as answered on 11th April, 7,500 acres were intended for industrial purposes.

(6) Some 4,200 acres.

(7) to (9) There is no specific planning of the proposed northern industrial area. An area has been earmarked as a site for future power stations and it is envisaged that port facilities would be required in the area, somewhere in the northern portion of the area.

The purpose of acquiring this land is a far-sighted concept to ensure that an adequate area is available for industry, housing, commerce, civic and recreation purposes at reasonable prices when required in the future.

3. SCHOOL

Challis Road, Armadale: Establishment

Mr. RUSHTON, to the Minister for Education:

(1) When is the Challis Road primary school, Armadale, to be—

(a) built;

(b) ready for occupation?

(2) What is the area of the schoolground?

(3) From what areas will the students attending this school be drawn?

(4) What accommodation is to be provided in this school at its opening?

Mr. T. D. EVANS replied:

(1) (a) During the second half of 1973.

(b) February, 1974.

(2) Approximately 4 hectares.

(3) Boundaries for the school will be determined later this year.

(4) Ten teaching areas and an administration block.

4. HOUSING

Midland: Programme

Mr. BRADY, to the Minister for Housing:

(1) Are any plans being made for erection of further State Housing Commission homes in the Midland area or nearby?

(2) What is the current planning programme?

(3) Are any single unit flats or similar type buildings to be erected in the Midland area?

Mr. BICKERTON replied:

(1) Yes, but timing will be affected by answers (2) and (3) below, and the finalisation of the new housing finance agreement with the Commonwealth.

(2) The Housing Commission is currently working with the Shire of Swan in the preparation of an outline plan for development of land at Beechboro—of which the commission owns approximately 500 acres. The plan is to be submitted to the Metropolitan Region Planning Authority and the Town Planning Board for approval to re-zone and subdivide the land, possibly within a few months.

In addition, the commission is now examining the feasibility of subdivision and development of some 50 acres of land at North Midvale in anticipation of the availability of a sewerage service.

(3) Provision will be made in the subdivisional plans for land to accommodate single units.

5. BOXING

Commonwealth Inquiry

Mr. MENSAROS, to the Premier:

(1) Are sporting activities and whatever Government control is exercised about them not in the sphere of State legislation and administration?

(2) If so, is the reported Commonwealth Government inquiry into all aspects of boxing and other combat sports not an intrusion into the State's sphere of administration?

(3) Has he resisted this latest intrusion of the Commonwealth Government?

Mr. J. T. TONKIN replied:

(1) to (3) The Australian Constitution does not inhibit the Australian Government from conducting such an inquiry. Section 51 of the Constitution defines the competence of the Commonwealth Parliament to legislate with regard to the subject matters therein contained. There has been no attempt to legislate by the Commonwealth Parliament in the matter of boxing and combat sports and no intrusion into State rights. I find it difficult, therefore, to see what the Member desires should be resisted. If he is opposed to an inquiry being conducted, for another view he should be referred to the Leader in *The West Australian* dated 13th April, 1973.

6. HOSPITAL BENEFITS

Allegation of Breaches

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

(1) Has there been an investigation made by the police on accusations by the administrator of the Hospital Benefit Fund of Western Australia of alleged "widespread" breaches of the National Health Act by medical practitioners?

(2) Have there been any charges laid against any medical practitioner?

(3) If (2) is "No" does not the Minister consider it proper to make a statement—or ask his colleague the Minister for Health to do so—to the effect that no charges were made against any doctor, so that the accusations cast by Dr. Carson on the profession should be dispelled in the eyes of the public?

Mr. BICKERTON replied:

(1) Yes.

(2) No.

(3) No. The Australian Medical Association has been advised of the result of the investigations and a statement on the matter by the Chief of the Criminal Investigation Branch, Superintendent Parker, appeared in *The West Australian* on Saturday, 24th March, 1973.

7. TEACHERS' TRAINING COLLEGES

Admissions and Conditions

Mr. MENSAROS, to the Minister for Education:

Further to my question 17 on 5th April, 1973, could he give all conditions (meaning requirements by

the department such as number of matriculation subjects passed, number of leaving subjects passed, personal qualities, result of interview if any, the fact whether the applicant is male or female or any other qualifications or circumstances which were considered) which applicants had to meet to be accepted for the 1973 school year to—

(a) teachers' colleges;

(b) secondary teachers' college?

Mr. T. D. EVANS replied:

A list of conditions governing selection of students for teachers' colleges is tabled.

The list was tabled (see paper No. 117).

8. CITY BEACH AND KAPINARA SCHOOLS

Enrolments

Mr. MENSAROS, to the Minister for Education:

What is the number of pupils enrolled at the—

(a) City Beach primary school;

(b) Kapinara primary school?

Mr. T. D. EVANS replied:

(a) 490.

(b) 596.

9. TRAFFIC

Accidents, 1970 to 1973: Hospital Admissions

Mr. NALDER, to the Minister for Traffic Safety:

(1) How many people who were involved in road accidents in the metropolitan area were admitted to hospital during the years 1970-71, 1971-72 and to the end of March in the year 1972-73?

(2) How many people who were involved in road accidents in the metropolitan area and were admitted to hospital for the years 1970-71, 1971-72 and to the end of March in the year 1972-73 had previous misdemeanour records?

(3) Can he indicate the categories of misdemeanours and what are they?

Mr. JAMIESON replied:

No statistics are collected relating to admission to hospital of persons involved in road accidents. Statistics are maintained on a calendar year basis relating to number of persons discharged from hospital who were admitted through injuries arising from road accidents.

(1) 1969 4,581
1970 4,664
1971 4,690

There are no figures available for 1972 and 1973.

(2) and (3) This information is not available.

10. CHANNEL 7 STADIUM

Construction on Railway Land

Mr. RUSHTON, to the Minister for Town Planning:

(1) Has approval been given for the stadium proposed by a consortium led by TVW 7 and Michael Edgley to be built on railway land at Wellington Street?

(2) If "No" to (1), what is delaying the decision?

(3) Is it still contemplated the hall will be completed in time to accommodate the Moscow Circus which is mooted to visit our city in April 1974?

(4) On what dates were the separate applications received by the Government for siting the hall on the Claremont Showgrounds and Wellington Street, Perth?

(5) Has the Claremont Showgrounds proposal been rejected?

(6) Is it presently planned to retain the recently constructed central bus station on its present site—

(a) should the future railway route be underground between Hay and Murray Streets;

(b) should the future railway retain its present route either above or below the ground level?

(7) If "No" to (5) what is the future long term plan for siting the central bus station?

Mr. DAVIES replied:

(1) Approval in principle has been given.

(2) Answered by (1).

(3) No. It is hoped the stadium will be completed by June, 1974.

(4) No formal applications for development have been submitted at this time, but extensive discussions have been held between the Government and the promoters.

(5) and (6) Yes.

(7) (It is presumed this question refers to question (6).) Answered by (6) above.

11. MINING

Royalties from Exports

Mr. O'NEIL, to the Treasurer:

(1) What was the estimated return to the State Treasury from royalties on mineral exports for the current financial year?

(2) Has this estimate been reassessed following the devaluation of the United States dollar?

(3) What is the revised estimate?

Mr. J. T. TONKIN replied:

(1) The 1972-73 budget estimate of receipts from mining royalties was $25,393,000.

(2) Yes.

(3) $27,365,000. The reduction in royalty payments as a result of the United States dollar devaluation is expected to be more than compensated for by increased collections on expanded production.

12. KALAMUNDA ROAD-GREAT EASTERN HIGHWAY JUNCTION

Traffic Lights

Mr. BRADY, to the Minister for Traffic Safety:

(1) Has any consideration been given to—

(a) erection of traffic lights; or

(b) a pedestrian crossing,

at South Guildford on the junction of Kalamunda Road and Great Eastern Highway?

(2) At what stage, if any, is the planning?

(3) What is the traffic count for vehicles at the junction referred to?

Mr. JAMIESON replied:

(1) (a) Yes.
(b) No.

(2) Channelisation work and the laying of conduits is currently programmed. Some land resumption is involved in connection with the channelisation work and objections by owners have still to be resolved. The installation of traffic signals at this junction is not programmed at present and will be subject to priorities.

(3) The last peak hour count of vehicles entering this junction was taken in March 1972. The figures were:—

Morning peak (7.45 a.m.-8.45 a.m.)—2,160 vehicles.

Evening peak (4.30 p.m.-5.30 p.m.)—2,220 vehicles.

The last twelve hour count was taken in November 1970 and the figure was: 16,297 vehicles—7 a.m.-7 p.m.

13. SCIENTOLOGY ACT

Breaches

Mr. W. A. MANNING, to the Attorney-General:

(1) How many cases have come before courts for breaches of sections 3 and 5 of the Scientology Act?

(2) What penalties have been imposed in each case?

Mr. T. D. EVANS replied:

(1) (a) Sixteen for breach of section 3.

(b) None for breach of section 5.

(2) Nil. One conviction reversed on appeal. Accordingly, it appears that the remaining 15 cases were subsequently withdrawn.

14. JURY SERVICE

Equality of Sexes

Mr. BATEMAN, to the Attorney-General:

(1) Will he explain why equality of the sexes does not apply to jury service?

(2) Does he propose to bring amendments to the relative legislation to provide for either compulsory or free choice jury service for both males and females?

Mr. T. D. EVANS replied:

(1) Women are granted some concessions because of family commitments particularly in respect of young children.

(2) No. Further concessions to enable persons to escape their obligation to perform an essential part of community service would be undesirable.

15. ACRYLIC CARPETS

Ban

Dr. DADOUR, to the Minister for Consumer Protection:

(1) Is he aware that highly inflammable acrylic carpet is freely available in Western Australia in spite of a complete ban on the sale of these carpets in the U.S.A.?

(2) Is he also aware that these carpets are extensively used in many public buildings, including the Royal Perth Hospital?

Mr. TAYLOR replied:

(1) I understand that acrylic carpets, together with many other materials manufactured from synthetic fibres having similar characteristics, are freely available in Western Australia.

Inquiries made at the Public Health Department, the Government Chemical Laboratories and the Public Works Department, indicate that acrylic carpets are considered to be inflammable but not highly inflammable.

None of the abovementioned authorities are aware of a total ban in the U.S.A. though in the American publication *Modern*

Hospital issued in March 1972, reference is made to stringent Government standards which acrylic carpets are required to meet where they are used in hospitals receiving any kind of federal assistance.

For the Member's information, figures which indicate the inflammability of carpets and other fibre materials are provided by the Commonwealth experimental building station. For acrylic carpets these are—

Spread of flame index—8

Smoke index—7.

These figures relate to a scale having a maximum of 10 and for comparison purposes the readings for vinyl tiles are—

Spread of flame index—4

Smoke index—6.

(2) I am advised that the carpets in use in Royal Perth Hospital are manufactured from courtelle-forticol, a synthetic fibre specially developed for the carpet trade. They are classified by the fire officers committee in the U.K. as a class 1 material indicating that the fire hazard in carding and spinning is low and although it will burn it is not dangerously inflammable.

16. PENSIONERS

Reciprocal Travel Concessions

Mr. O'CONNOR, to the Premier:

(1) Is consideration being given to reciprocal arrangements whereby interstate pensioners will be given in Western Australia concessions on bus and/or rail?

(2) If so, will he give details?

Mr. J. T. TONKIN replied:

(1) Interstate pensioners already receive a concession to the extent of half the inter-system rail fare between Kalgoorlie and Perth. There is no intention in the immediate future of extending this concession.

(2) Answered by (1).

17. TRANSPORT WORKERS' UNION

Blackmail and Intimidation: Allegations

Mr. O'CONNOR, to the Minister for Labour:

(1) When will the inquiry be made into allegations of blackmail and intimidation to owner/drivers?

(2) What will be the terms of reference?

(3) Who will conduct the inquiry?

(4) As a number of people from various parts of the State have contacted me claiming similar treatment on this matter, does he require details to include them in the inquiry?

Mr. TAYLOR replied:

(1) to (3) Letters seeking further information have been sent to all persons named by Members of the Opposition in the House and to one who wrote to me privately. I am now awaiting details of the allegations, which should place me in a position to make a determination.

(4) If the Member wishes to submit further names to me, he may do so.

18. HIGH OCTANE FUEL

Cartage: Mines Department Approval

Mr. O'CONNOR, to the Minister for Labour:

As on Monday 2nd April in my presence at Bunbury B.P. depot a union member working for a truck owner was refused fuel on the pretence that his vehicle had been carrying high octane fuel and would require Mines Department approval before they would fill Mr. Woods' tanker—

(a) is Mines Department approval required in cases such as this;

(b) is the vehicle now operating and, if so, with or without Mines Department approval;

(c) is all high octane fuel delivered from Bunbury done so in drums?

Mr. TAYLOR replied:

I am informed that vehicles carrying fuel are not registered with the Explosives Branch of the Mines Department, but are required to comply with certain departmental conditions. All oil companies are made aware of hazardous situations which may arise during loading operations and possibly the action referred to arose as a question of safety. Only the company concerned could advise whether this was the case in this instance.

With regard to the specific questions—

(a) If the situation is as outlined above, then the answer would be no, though, as mentioned, B.P. Bunbury, should be able to advise the answer.

(b) Fuel tanker vehicles are not registered with the Mines Department and it is not known if the vehicle in question is now operating.

(c) In Bunbury high octane motor spirit is delivered both in bulk and in drums. Aviation fuel is delivered in drums prior to decanting into underground storage tanks.

19. MINISTERS OF THE CROWN

Air-conditioned Vehicles

Mr. O'CONNOR, to the Premier:

Which Ministers have Government vehicles at their disposal that contain air conditioners?

Mr. J. T. TONKIN replied:

Ten Ministers and the Leader of the Opposition have air conditioners.

During the last year of the former Government, eleven Ministers had air conditioners.

20. GOVERNMENT DEPARTMENTS

Employees: Naturalisation

Mr. O'CONNOR, to the Premier:

In view of the fact Mr. Grimaldi, a State Housing Commission employee ever since he arrived in Australia five years ago, has been advised his services will be dispensed with unless he becomes an Australian citizen—

(a) does this provision apply to all migrants who are employed by the Government after they have resided in Australia five years;

(b) are there any migrants who have resided in Australia for more than five years still being employed by Western Australian Government departments;

(c) will he consider extending the period in Mr. Grimaldi's case to permit him to continue working in the position he enjoys?

Mr. J. T. TONKIN replied:

(a) Section 21 of the Public Service Act, 1904 provides—

21. A person is not eligible for appointment to an office on the permanent staff of the Public Service and his appointment on probation shall not be confirmed as an effective appointment on the permanent staff, unless—

(a) he is a natural born or naturalised British subject, or if not such, is competent to become, and undertakes to become, and does become, a naturalised British subject within six months of the appointment; . . .

(b) There are two such persons employed under the Public Service Act. One is resident in the Kimberleys where it is difficult to recruit suitably qualified staff, and the other is a 55-year-old draftsman who, due to age, is not required to seek permanency.

(c) It is Public Service Board policy not to allow temporary personnel in the clerical division of the Public Service to occupy indefinitely positions to the exclusion of those who are eligible for permanent appointment.

Mr. Grimaldi has indicated he is not prepared to become an Australian citizen, and will therefore not be eligible for permanent appointment.

21. TOTALISATOR AGENCY BOARD

Minor Eastern States Races

Mr. O'CONNOR, to the Minister representing the Minister for Police:

(1) Why has the Totalisator Agency Board listed on its programme a number of minor races in the Eastern States in which the towns and horses are only remotely known in local racing circles?

(2) Is it true that three races listed in one of these towns also carried a double and quinella?

(3) If the above action is being carried out is this in an effort to encourage more gambling in Western Australia?

(4) Is it Government policy to support extended gambling facilities as above?

Mr. BICKERTON replied:

(1) For a considerable number of years the Totalisator Agency Board has operated on certain country meetings in the Eastern States. This policy is being continued and other meetings are included as they are upgraded by Totalisator Agency Board operations in the Eastern States. The board's objective is to provide an up-to-date service for the public, mid-week as well as on the weekends. From time to time the board has received requests from members of the public for coverage of this type.

(2) One double and one quinella were held.

(3) Answered by (1).

(4) Government policy is to provide the best possible service for the public.

22. POLICE

Illegal Betting: Dampier

Mr. O'CONNOR, to the Minister representing the Minister for Police:

(1) Did the Police Department issue a summons at Dampier on a person for illegal betting?

(2) Was the summons subsequently withdrawn?

(3) What were the reasons for the withdrawal?

(4) Who instructed or advised that the summons be withdrawn?

(5) Did the person concerned continue to operate illegal betting at Dampier?

(6) If so, what action is anticipated?

Mr. BICKERTON replied:

(1) and (2) Yes.

(3) The probability of a Totalisator Agency Board shop opening at Dampier within a few months.

(4) In view of the above answer to (3), the Minister for Police advised that the summons should be withdrawn.

(5) Yes.

(6) When Totalisator Agency Board facilities exist at Dampier, action will be taken should illegal betting continue.

23. TOTALISATOR AGENCY BOARD

Turnover and Illegal Betting

Mr. O'CONNOR, to the Minister representing the Minister for Police:

(1) What were the half-yearly turnover figures for the Totalisator Agency Board at Roebourne for—

(a) 1971;

(b) 1972;

(c) 1973?

(2) Has this centre been affected by illegal betting at Dampier?

(3) Has the Minister or the T.A.B. received a complaint from the Roebourne T.A.B. regarding loss of turnover because of illegal betting at Dampier or other points?

(4) What action was taken or anticipated?

(5) Has the T.A.B. operator at Roebourne been moved or to be moved to another post following his complaints of illegal betting?

(6) If so, to where and what is the turnover at that post?

Mr. BICKERTON replied:

In replying to this question I might remind the honourable member that I think he is interfering with my electorate!

Mr. O'Connor: Well, somebody else interfered too.

Mr. BICKERTON: The reply to the question is as follows—

(1) Half yearly turnover figures for Roebourne—

(a) 1971—Not open.

(b) 1972—1st August, 1971 to 31st January, 1972—$402,125.

(c) 1973—1st August, 1972 to 31st January, 1973—$187,146.

(2) and (3) Yes.

(4) An endeavour has been made to speed up the establishment of agencies at Dampier, Mt. Tom Price, Karratha and Paraburdoo. The attention of the local police was drawn to the situation.

(5) The board's former agent at Roebourne successfully applied for a position as the agent in another town.

(6) Carnarvon—average weekly turnover—$9,480.

24. EDUCATION

Boarding Allowances: Effect on Bursaries for Nurses

Mr. McPHARLIN, to the Minister for Education:

(1) Where a secondary school student is awarded a nurses bursary of $250 per year for two years and this is accepted, will the living-away-from-home allowance be discontinued now that the Commonwealth Government has taken over the payment of living-away-from-home allowances?

(2) What are the conditions which are to be applied to students who may be placed in the circumstances as above?

(3) Where a student wins a Commonwealth scholarship is the living-away-from-home allowance to be discontinued?

Mr. T. D. EVANS replied:

(1) The payment of boarding allowances to holders of nursing bursaries is still under consideration by the Commonwealth.

(2) No action can be taken until a decision has been reached.

(3) No.

25. KELMSCOTT, ROCKINGHAM, AND THORNLIE HIGH SCHOOLS

Building Costs

Mr. RUSHTON, to the Minister for Works:

(1) What will be the completed cost of stage 1 of the Kelmscott high school?

(2) What are the reasons for the disparity in cost of Kelmscott and the Rockingham ($565,739) and Thornlie ($566,495) high schools

considering Rockingham and Thornlie include contractors' profit and financial costs?

(3) For each of the three schools—
(a) when was the contract let;
(b) when did work commence;
(c) when was the school completed?

Mr. JAMIESON replied:

(1) Approximately $717,000.

(2) (a) Rise in building costs throughout the building industry generally over the period in which the high schools were constructed.
(b) Kelmscott high school is a larger building than either Rockingham or Thornlie high schools.
(c) Modifications to the design of the structural steel frame at Kelmscott high school.
(d) Variations to the services at Kelmscott high school due to the different site conditions.
(e) Cost of apprentice training.

(3) Rockingham high school:—
Contract let; 29/12/1970.
Work commenced; early January, 1971.
Practical completion; 15/12/71, except for minor items.

Thornlie high school:—
Contract let; 12/2/1970.
Work commenced; late February, 1970.
Practical completion; 2/12/1970, except for minor items.

Kelmscott high school:—
Monetary authority; 27/4/1972.
Work commenced; 1/5/1972 and drawing issued.
Practical completion; 8/2/1973, except for minor items.

26. BROOME PORT

Waterside Workers: Industrial Action

Mr. RIDGE, to the Minister for Works:

(1) Since 1st October, 1972, how many—
(a) stopwork meetings;
(b) strikes,
have been held at the Broome port by members of the Waterside Workers Federation?

(2) As a result of stopwork meetings, precisely what demands have been made by members of the federation against the port authorities or ship owners?

(3) What demands have been made in instances where strike action eventuated?

(4) During the period referred to in (1), what have been the average weekly earnings (gross) of Broome waterside workers?

(5) Does he intend to investigate a claim by the Broome Shire Council that waterside workers are trying to intimidate it by threatening industrial action?

(6) If "No" why not?

Mr. JAMIESON replied:

(1) (a) 4 (3 authorised and 1 unauthorised);
(b) 7 strikes and stoppages.

(2) Not known. The only demands recorded by the Harbour and Light Department are those which involve the department. These demands have been—
(a) for improved amenities;
(b) the employment of Waterside Workers' Federation members to drive forklifts at all times in the goods shed and yard;
(c) claim for early finish of work on paydays (Fridays) for the purpose of shopping (involved all employees).

(3) Strikes and stoppages—
Date and Demand—
5/10/72—Increase in manning scale—strike action taken by Waterside Workers' Federation after board of reference refused to increase the manning scale.
25-26/1/73—Manning scale dispute. Claim by Waterside Workers' Federation to work 4 men in and 4 men out in hold in lieu of 6 men in and 2 men out, as is usually worked. Strike action taken by Waterside Workers' Federation after board of reference refused the claim.
2/2/73—Waterside Workers' Federation members walked off the job at 3 p.m. (Friday) for the purpose of shopping. (Normal finishing time 8 p.m.).
16/2/73—Manning scale dispute. Claim by Waterside Workers' Federation to work 3 men in and 3 men out in lieu of 4 men in and 2 out as is usually worked. Strike action taken by Waterside Workers' Federation after board of reference refused claim.
Ship *(M.V. Kangaroo)* sailed without working.

2/3/73—Waterside Workers' Federation walked off job at 3 p.m. (Friday) for the purpose of shopping (normal finishing time 8 p.m.).

7-12/3/73 inclusive—Dispute involved washing time to be allowed while handling cargo on board the *Panama Maru* (cargo drilling pipes). Strike action taken by Waterside Workers' Federation after board of reference refused claim.

26-27/3/73—Dispute over the registration by the Australian Stevedoring Industry Authority of Waterside Workers. The number of registered men was short of the port quota by 15 and the Waterside Workers' Federation objected to the registration of 2 men selected by the Australian Stevedoring Industry Authority for registration, claiming that they wanted two different men to be registered. Strike action taken after board of reference decision.

(4) The average gross weekly earnings of registered Waterside Workers was $130.36 for the period.

In addition, casual workers employed to make up gangs when the number of registered men was insufficient earned an average gross weekly wage of $48.06 in the same period.

(5) and (6) If I am approached by the Broome Shire Council inquiries will be made.

QUESTIONS (11): WITHOUT NOTICE

1. RAILWAYS

Perth-Leighton Line: Conversion to Busway

Sir CHARLES COURT, to the Premier:

(1) What is the Government's current intention in respect of the Perth-Leighton railway line?

(2) Did he give an undertaking to railway unions in July, 1972, that he would abandon the plan to turn the railway line between Leighton and Perth into a busway?

(3) If so, did he, or his Ministers, advise Parliament of this before, during, or since the debate on this subject?

(4) Does he agree it is important for both Parliament and planners, as well as the M.T.T. and the railways, to have up-to-date and reliable information on this subject?

(5) When—if a decision is not already made on the fate of the Leighton-Perth line—will a decision be made, and announced?

Mr. J. T. TONKIN replied:

(1) To retain it as a railway line as part of the overall plan for electrification of the suburban railway network.

(2) Yes, and in these words—

"The Government has approved the complete electrification of the existing railway system. This would, of course, mean retention of the Perth-Fremantle railway, but it may be necessary to interrupt it for a period to permit of the construction of certain works involved in the complete plan."

(3) No.

(4) Yes.

(5) See answer to (1).

2. TRANSPORT WORKERS' UNION

Allegation of Intimidation: Mr. Brenzi

Mr. RUSHTON, to the Minister for Labour:

(1) Is he aware of the article in the *Sound Advertiser* of Wednesday, the 11th April, 1973, headed "Truck Driver Banned"?

(2) If he has not read the article, will he please acquaint himself with it?

(3) As Mr. Brenzi is reported to have asked him by letter to intervene, on his behalf, what action has he taken to protect this man?

(4) Is Mr. Brenzi self-employed?

(5) Is it illegal for Mr. Brenzi to join the T.W.U.?

(6) Which oil company has refused to supply and load Mr. Brenzi?

(7) As the oil company is no doubt intimidated by industrial action and threats of serious industrial complications in its industry if it supplies and loads this owner-driver—

(a) what action has he or the Government taken to redress this T.W.U. terrorism against small and large employers?

(b) what action is he prepared to take to ensure the black listing against Mr. Brenzi and others is removed?

(8) What action is available to owner-drivers against the T.W.U. officials who are preventing the companies from supplying owner-drivers?

(9) What provision is he making to enable owner-drivers who have already been threatened or are at present black-banned or prevented from loading and unloading fuel, apples, and other commodities, and who have been too frightened to come forward because of union reprisals against their business, to present evidence?

The SPEAKER: In future such questions will be placed on the notice paper.

Mr. TAYLOR replied:

(1) and (2) No, though I am arranging to obtain a copy.

(3) to (5) Mr. Brenzi advised in his letter to me that he is self-employed. If he is self-employed, then the question is not clear as to whether he is obliged to become a member of the union. See answer to question 5 of the 29th March, 1973.

With regard to the suggestion that I "protect", I can only repeat statements made earlier that—

(a) a number of avenues are available for the seeking of relief from an alleged grievance and apart from the move by some south-west operators seeking relief in the civil courts, none has been invoked by either companies, employer organisations, employee organisations, or individuals concerned;

(b) the avenue available to me as Minister for Labour is to refer the matter to an industrial commissioner in the public interest. This procedure, to the best of my knowledge, has not been followed by any Government at any time and failing any approach from either companies involved, employer organisations, or employee organisations does not appear to have value; and

(c) I have not yet received further details of allegations made, so I am not in a position at this time to draw a final conclusion as to the role of the Government. The gentleman concerned has been written to seeking further information.

(6) Mr. Brenzi advises that it is the Shell Company of Australia.

(7) The member here makes an assumption. I cannot accept that huge international companies would condone employee disobedience. Though wide publicity has been given to this matter in Parliament and subsequently in the Press, I have not received a single approach from an oil company and not one additional approach from an owner-driver, other than those mentioned in this House by Opposition members. Neither, I am informed, has any complaint been lodged with the police alleging intimidation and/or blackmail. Further, as pointed out in debate, neither the Employers' Federation nor the Transport Operators' Association has raised the matter with the Industrial Commission or with me direct, or with my department, though as advised in the House, the latter did seek information several weeks ago from the Industrial Registrar, but apparently took no further action.

(8) Without knowing the true facts of each situation, I can only suggest that action might be taken for alleged nonsupply of goods against either the oil company concerned and/or the men concerned by either the organisation to which the owner-driver belongs or by the person himself. Here the reported recent court action and injunction issued at Perth is pertinent.

(9) Letters have been sent to the two persons who have written to me and the six persons whose names were provided to me in the House.

3. LICENSING COURT

Membership

Sir CHARLES COURT, to the Attorney-General:

(1) Who are the present members of the Licensing Court?

(2) When were they appointed and, (where appropriate) their appointments renewed?

(3) When do their current appointments expire?

(4) (a) Are any of these appointments to be renewed?

(b) If not, why not, and what new members are to be appointed when the current appointments terminate?

Is there any truth in the rumour that there are some candidates from the Government side of the House for these appointments?

Mr. Jamieson: Yes, myself!

Mr. T. D. EVANS replied:

(1) Mr. J. S. Lewis, chairman; Mr. A. R. Connell, member; Mr. S. Heal, member.

(2) Mr. J. S. Lewis—
Appointed as a member on 1/6/1961;
Reappointed on 1/6/1964;
Reappointed on 1/6/1967;
Appointed chairman 1/10/1968;
Reappointed 1/6/1970.

Mr. A. R. Connell—
Appointed on 6/4/1966;
Reappointed on 1/6/1967;
Reappointed on 1/6/1970.

Mr. S. Heal—
Appointed on 1/10/1971.

(3) Mr. J. S. Lewis—31/5/1973;
Mr. A. R. Connell—31/5/1973;
Mr. S. Heal—1/10/1974.

(4) (a) No. Mr. J. S. Lewis has attained 65 years of age.
Mr. A. R. Connell has declined an offer of extension of his present term for a period ending the 31st December, 1973.

(b) It is not usual to announce appointments until Executive Council has approved.

4. POLICE

Illegal Betting: Dampier

Mr. O'CONNOR, to the Premier:

(1) Did he intervene, instruct, or request the Minister for Police or others to withdraw charges in the case where a summons was issued for illegal betting in Dampier?

(2) As summonses have been withdrawn, will he table the papers concerned?

Mr. J. T. TONKIN replied:

(1) and (2) I ask that this question be placed on the notice paper.

5. AUTOWAYS

Sunday Trading

Mr. McPHARLIN, to the Minister for Labour:

(1) Is the offence committed by Autoways—that is, by opening the used-car saleyards on Sunday—considered to be sufficient to cancel their used-car dealers license?

(2) Is not the profit motive the greatest motivating factor and not the public interest that prompts dealers to act in this way?

(3) Was the Western Australian Automobile Chamber of Commerce informed of the six-day close down over Easter and Anzac Day?

(4) Did Autoways know of the close-down period and that any firm could trade on Tuesday, the 24th April?

Mr. TAYLOR replied:

(1) The question of licensing of used-car dealers comes within the jurisdiction of the Minister for Police. The matter of grounds considered sufficient for the deregistration under the Used Car Dealers Act has been canvassed, but the answer is not yet available.

(2) This part asks for the expression of an opinion. I have an opinion as apparently had a considerable number of used-car dealers who have phoned me and I am sure the honourable member also has an opinion similar to mine.

(3) and (4) The general public was advised by five separate 5 in. x 3 in. advertisements in daily and weekend newspapers regarding trading arrangements over Easter and Anzac Day. I have also been informed by the Western Australian Automobile Chamber of Commerce that notices setting out the situation were sent to all members of the chamber which, I understand, would normally have included 11 centres of Autoways. I further understand that the chamber received quite a number of calls the next day with certain aspects of other matters, and it can recall no question from the company named.

In support of this, the chamber, in a Press release issued yesterday, stated "The firm in question has claimed that a six-day close down over Easter/Anzac Day was to be enforced but Press advertisements and circulars from this chamber clearly explained that any firm could trade on the Tuesday, 24th April, if they so desired. This therefore appears to be a rather weak excuse for the blatant action taken".

6. COURT OF PETTY SESSIONS

Albany Case: Premier's Letters

Mr. O'CONNOR, to the Premier:

(1) Does he agree that the article in *The West Australian* newspaper of the 14th instant and headed "S.M. Accuses Government of Interference" is a true record of the incident concerned?

(2) If not, will he advise the points of discrepancy?

(3) Did the Premier advise Mr. Jones that the charges were withdrawn?

(4) Was this at the request of the Transport Department? If not, by whom?

(5) Does he consider this type of action should be taken by a Premier, particularly when he has consistently claimed the law should take its course?

(6) Will he table a copy of the correspondence concerned, and the relevant papers, including his letters to Mr. Jones?

(7) Have there been other cases in which the Premier has intervened in respect of the normal course of the law. If so, on how many occasions, and will he list the names of those concerned, and the offences for which they were being charged, or had been charged?

Mr. J. T. TONKIN replied:

(1) No, it is very far removed from being a true record.

(2) (a) There was no basis for the reported statements—

"Here we have the executive in a sense bringing its will to bear on the judicial."
"The case was not an act of prosecution but an act of the Premier of W.A."

The fact of the matter is that, on the 15th November, 1972, the Secretary of the Transport Commission advised the Under-Secretary for Law that, following an appeal submitted to the Minister for Transport, the Commissioner of Transport had "after taking all facts into consideration, decided that prosecution action for this offence should be withdrawn".

(b) The letters from the Premier were not correctly quoted by the magistrate.

(3) Yes.

(4) Yes.

(5) The Premier did not take the action referred to.

(6) Yes, for one week.

(7) If the word "intervened" is intended to cover cases where complaints received have been referred to Ministers controlling the departments concerned, the answer is "Yes".

Circumstances in mitigation of any offence are always considered by Government departments, whether the approach is made by private individuals, accused persons, or the Government.

A decision on whether any, or what action is taken, is purely a matter for the department concerned, based on the evidence presented. When it is obvious that there has been an incorrect charge or departmental policy has been overlooked, it is normal procedure to seek withdrawal of the summons.

The files were tabled for one week (see paper No. 118).

7. RAILWAYS

Perth-Leighton Line: Conversion to Busway

Sir CHARLES COURT, to the Premier:

I seek some clarification of the answers he gave to parts (3) and (4) of my earlier question without notice. Can he explain why neither he nor his Ministers advised Parliament on this particular matter, which was one of considerable concern and interest having regard for the legislation that was before the House and the considerable argument that ensued on it between this place and another Chamber? On the surface, it appears to me—unless the Premier has an explanation—to be an absolute contempt of Parliament that we were not told by either the Premier or the Minister handling this particular matter.

Mr. J. T. TONKIN replied:

Of course, it is in keeping with the attitude of the Leader of the Opposition to impute motives and assert contempt.

Sir Charles Court: Explain why you did not tell us.

Mr. J. T. TONKIN: The Leader of the Opposition made an assertion about contempt before he received an answer.

Mr. Graham: That is typical.

Sir Charles Court: I was telling you if it was done deliberately it was contempt.

Mr. J. T. TONKIN: That is entirely the opinion of the Leader of the Opposition. He is entitled to his opinion. What is more, he is not backward in giving it and he is given plenty of facility to do so.

Sir Charles Court: Let us hear your explanation.

Mr. J. T. TONKIN: I say very deliberately that no contempt was intended. Given the opportunity, I could quote numerous instances where I believed, when I was in Opposition, I should have received information which was not forthcoming; but I did not accuse the Government of contempt of Parliament.

Sir Charles Court: You never stopped accusing us.

Mr. J. T. TONKIN: It is a matter of the judgment of the Government at the time. I do not know why the Ministers handling the Bill did not give this information but it was well known at the time that I had given this assurance, because it was published.

Sir Charles Court: We cannot find it.

Mr. J. T. TONKIN: If members of the Opposition were at that time reading the newspapers as assiduously as they now appear to be doing, they would be aware of the assurance I had given and which I have quoted this afternoon. I cannot help it if the Opposition received an answer it did not expect. I suppose members of the Opposition had it in their minds that I did not give any such assurance.

Sir Charles Court: We assumed the union would not have said what it did if it was not correct.

Mr. J. T. TONKIN: That was an assumption. It is time the Opposition learnt that jumping to conclusions is the most fallacious form of reasoning.

Sir Charles Court: It is pretty rough when we have to find out from the union.

Mr. J. T. TONKIN: The Leader of the Opposition might think it is rough. On many occasions I thought I, too, was getting pretty rough treatment.

Mr. Graham: And you did get rough treatment.

Sir Charles Court: You got more courtesy from us than you have ever given us.

Mr. J. T. TONKIN: I repeat that no contempt of Parliament was intended, nor do I believe it can be construed that way. The information is now available to the Opposition, and it would not have made the slightest difference to the attitude of the Opposition had it been spelt out at the time.

Mr. O'Neil: We would not have had a Bill dealing with pulling up the railway line had it been known.

8. MILK

Treatment Plants and Vendors' Licenses

Mr. MOILER, to the Minister for Agriculture:

(1) What are the names of the 11 licensed milk treatment plants operating in Western Australia?

(2) Would he indicate which ones hold one or more milk vendors' licenses?

Mr. H. D. EVANS replied:

(1) Brownes Dairy Pty. Ltd.—North Perth.
Brownes Dairy Pty. Ltd.—Coolup.
Firle Dairy Pty. Ltd.—Kalgoorlie.
Masters Dairy Ltd.—Albany.
Masters Dairy Ltd.—Bentley.
Masters Dairy Ltd.—Wagerup.
Peters Creameries (W.A.) Pty. Ltd.—Brunswick Junction.
Sunny West Co-op. Dairies Ltd.—Fremantle.
Sunny West Co-op. Dairies Ltd.—Harvey.
Sunny West Co-op. Dairies Ltd.—Boyanup.
Wesmilk Pty. Ltd.—Capel.

(2) Brownes Dairy Pty. Ltd—North Perth.
Firle Dairy Pty. Ltd—Kalgoorlie.
Masters Dairy Ltd.—Albany.
Masters Dairy Ltd.—Bentley.
Peters Creameries (W.A.) Pty. Ltd.—Brunswick Junction.
Sunny West Co-op. Dairies Ltd.—Fremantle.

9. COURT OF PETTY SESSIONS

Albany Case: Attorney-General's Letter

Mr. O'CONNOR, to the Attorney-General:

(1) Does he agree that the article in *The West Australian* newspaper of the 14th instant headed "S.M. accuses Government of interference" is a true record of the incident concerned?

(2) If not, will he advise the points of discrepancy?

(3) Did he advise that the papers applying for a rehearing were being prepared by the Crown Law Department and were the papers prepared by the Crown Law Department?

(4) Did the Crown Law Department appear at the court and on his behalf?

(5) If so, at whose request?

(6) Is this not a rather strange action bearing in mind that the charge appeared to be laid initially by a Government department?

(7) Who was responsible for paying the application fees?

(8) Have there been other cases in which the Minister has intervened in respect of the normal course of law? If so, on how many occasions and will he list the names of those concerned and the offences for which they were being charged or had been charged?

Mr. T. D. EVANS replied:

If some of the answers given by me in answer to this question seem familiar, it is only because some of the questions asked previously by the member for Mt. Lawley of the Premier were identical. I have some difficulty in following the numbering of the questions; they do not seem to coincide with the questions handed to me.

Mr. O'Connor: I left one out because it had been answered by the Premier.

Mr. T. D. EVANS: The answers to the questions given to me this morning are—

(1) No, it is very far removed from being a true record.

(2) (a) There was no basis for the reported statements, "Here we have the executive in a sense bringing its will to bear on the judicial", and, "The case was not an act of prosecution but an act of the Premier of W.A."

The fact of the matter is that on the 15th November, 1972, the Secretary of the Transport Commission advised the Under-Secretary for Law that, following an appeal submitted to the Minister for Transport, the Commissioner of Transport had "after taking all facts into consideration, decided that prosecution action for this offence should be withdrawn".

(b) The letters from the Premier were not, in my view, correctly quoted by the magistrate. I can only judge by what I read in the Press.

(3) Yes.

(4) An officer of the Crown Law Department appeared in court as representative of the complainant.

No officer specifically appeared on my behalf.

(5) No. It was the Government department which desired to have the charges withdrawn.

(6) A cash voucher for $1 was forwarded to Jones by the Crown Law Department.

(7) Papers tabled by the Premier.

(8) If the word "intervention" is intended to cover cases where complaints received have been referred to Ministers controlling the departments concerned, the answer is "Yes". Circumstances in mitigation of any offence are always considered by Government departments whether the approach is made by private individuals, accused persons, or the Government.

A decision on whether any or what action is taken is purely a matter for the department concerned based on the evidence presented. When it is obvious that there has been an incorrect charge or department policy has been overlooked it is normal procedure to seek withdrawal of the summons.

10. MEAT TAX

Department of Agriculture: Report

Mr. O'NEIL, to the Minister for Agriculture:

Would he be prepared to table the report of the Department of Agriculture referred to in this evening's paper which contains, amongst other things, a suggestion that a tax be imposed on meat in Western Australia?

Mr. Graham: That is not a Government suggestion, by the way.

Mr. H. D. EVANS replied:

I happen to have a copy of the report with me, and I am only too happy to table it. What is more, every member of the media has one.

Mr. O'Neil: I gathered that from the paper.

The report was tabled (see paper No. 119).

11. COURT OF PETTY SESSIONS

Albany Case: Report of Magistrate

Mr. O'CONNOR, to the Attorney-General:

In view of the answers given to questions today, would he obtain a report from the magistrate concerned and table the same in this House?

Mr. T. D. EVANS replied:

I understand the magistrate has now ordered that there be a rehearing of the case. Subsequent

to that rehearing—by another magistrate, no doubt—I will be prepared to call for a report, but I will not do so before the case has been reheard.

TAXI-CARS (CO-ORDINATION AND CONTROL) ACT AMENDMENT BILL

Third Reading

MR. JAMIESON (Belmont—Minister for Works) [5.25 p.m.]: I move—

That the Bill be now read a third time.

MR. THOMPSON (Darling Range) [5.26 p.m.]: During the second reading debate we made reference to the moneys that are paid with respect to the premiums on taxi-car plates. We contended that this money should be paid into the Consolidated Revenue Fund, as has been done in the past.

We recognise that there are problems with regard to the financing of the facilities necessary to operate an efficient taxi industry, and we believe sufficient funds should be made available for it. For two reasons we do not accept that the money which has previously been paid into the Consolidated Revenue Fund should now be directed to the Taxi Control Board.

The first reason is that there is a distinct possibility that there will not be sufficient funds from this source to provide the facilities which we consider to be necessary; so it would be better if the money were paid into the Consolidated Revenue Fund and the Taxi Control Board were to make application, as do many other Government authorities, for money to carry out a particular programme each year.

The second reason is that during the second reading debate and in the Committee stage the Minister said the money was in fact controlled by the Treasury. The money is still to be held in a fund known as the "Taxi Control Fund" but it is not controlled by the Treasurer. We understand it is held in the Treasury Department but it is as though the money were in a bank and under the control of the Taxi Control Board.

At this late stage I ask the Minister to examine the Bill before it goes to another place and ask himself whether it achieves the desired result; and if it does not, to devise some other way of assuring the Taxi Control Board will have sufficient funds, and, on the other hand, safeguarding against the situation where the Taxi Control Board could finish up with a surplus of funds and perhaps use the money unnecessarily when it could well be directed to the Consolidated Revenue Fund and be used for other purposes.

MR. JAMIESON (Belmont—Minister for Works) [5.29 p.m.]: I cannot quite see what the honourable member is getting at. In the first place, he said the Taxi Control Board would not have sufficient funds, and then he said it might use funds excessively. He argued that because the board is not drawing money from the Treasury by voucher but from an amount held by the Treasury, it is not under the control of the Treasury.

I will refer the honourable member's remarks to the Minister concerned to see whether there is anything in the proposition. I will ask him to look at the Bill when it goes to the other end in order to see whether it needs some tidying up in this regard. The honourable member must remember I am only representing the Minister in this House, but as I understand it the fund is held by the Treasury, and it would therefore be subject to some degree of Treasury control.

It is of no use the honourable member shaking his head, because that is a fact. The Treasury does have a degree of control at the moment; if that degree is not sufficient and the honourable member wishes it to have more control, double the present clerical activity will be entailed and, therefore, there will be a higher cost to the Government of the day. I think the Bill as it stands is reasonable, but to satisfy the member for Darling Range I will refer his remarks to the Minister in another place.

Mr. Thompson: Will you also refer the matter to the Treasury?

Mr. JAMIESON: Of course the Minister will do that. He relies upon his advisers to give him the necessary information.

Question put and passed.

Bill read a third time and transmitted to the Council.

LONG SERVICE LEAVE ACT AMENDMENT BILL

Second Reading

MR. TAYLOR (Cockburn—Minister for Labour) [5.32 p.m.]: I move—

That the Bill be now read a second time.

Members will recall that a Bill bearing a similar title was introduced into this Chamber in the last session, but was not proceeded with. If they care to examine the two Bills they will find some minor differences, but the basic principles are the same. The desire of the Government to allow the previous Bill to lapse and to introduce this one resulted from a small drafting error which was not at first observed, but it would have made the other legislation nonoperative in respect of the provisions the Government wanted.

Legislation in South Australia providing for long service leave of 13 weeks after 10 years' continuous service was assented to on the 23rd November, 1972. This development has particular relevance in the Government's plan to legislate for long service leave entitlements for all workers in Western Australia because it supports its decision to equalise qualifying entitlements between State Government wages employees and wage and salary earners in private industry.

It is of more than passing interest to note that opposition to the passage of the amending Bill in the South Australian Parliament was on the grounds of public interest. The argument of the Opposition was that, competitively, South Australia would be placed at a serious disadvantage *viz-a-viz* the Eastern States in the important task of attracting new industries. In addition, the cost imposition on established local industries would be prohibitive. In these circumstances South Australia should wait until a new standard was introduced in these States before adopting similar reforms. Apparently the people of South Australia were not very impressed with the warnings given by the Opposition; on the 10th March, 1973, they returned the Government to power providing it with a mandate to introduce a scheme for long service leave benefits for casual and building workers, based on the aggregation of their service in industry.

In a period during which there is an obvious and widespread trend towards extra leisure time for wage and salary earners, regardless of the form it may take, any new development improving an existing standard and given reasonably wide application will activate a natural inclination in others to insist that similar benefits be extended to them. Once started the demand will grow and is irreversible.

The SPEAKER: Order! There is too much talking.

Mr. TAYLOR: Whereas traditionally the pacesetter in matters of long service leave was the New South Wales Labor Government, whose legislation providing minimum long service leave conditions for all workers was the forerunner of the Commonwealth-wide standard of 13 weeks' leave after 20 years' continuous service, introduced in 1957, and the current standard of 13 weeks' leave after 15 years introduced in 1964, South Australia now has that role by producing an entitlement which is certain to be taken up in all States. This prediction is all the more likely now that the Commonweath Government has stated its intention to introduce long service leave entitlement for its employees after 10 years, operative from the 1st January, 1973.

As far as this Government is concerned, all the signs point to the inevitable reduction in qualifying periods throughout Australia and therefore action should be taken without delay to extend these improved benefits to Western Australian workers in general. Whilst in the past the practice has been for the unions to await an announcement by the Commonwealth Conciliation and Arbitration Commission before application is made for new standards to be given effect in local awards, the Government sees no compelling reason in this practice against the extension of the current Act to provide for these new entitlements.

Nor are there compelling reasons for withholding the improvements on the grounds of economics. Past experience shows that whenever new standards are proposed, prohibitive costs form the mainstay of the opposing arguments. Needless to say, the calamitous predictions never come to pass. What matters, in the final analysis, is the community's preparedness to accept the level of costs involved in exchange for the benefits arising from a shorter qualifying period.

Turning to the content of the Bill, the proposals being put forward in clauses 3 and 4 are fundamental in the plan to extend long service leave entitlements to all workers.

In clause 3 the reference to employees whose employment is not regulated by the Industrial Arbitration Act is to be deleted from the long title to the Act; and in clause 4 it is proposed that the interpretations section of the Act be amended so as to delete subparagraph (iii) of paragraph (c), which excludes a person while employed under an award or industrial agreement.

Clause 4 also proposes a new subparagraph (v) to paragraph (b) so as to include as employees certain persons engaged under contracts for service.

Currently, under section 5, the Board of Reference is empowered to exempt an employer from the operation of the Act where it is satisfied that, in respect of his employees, there is a long service leave scheme conferring more favourable benefits than those prescribed in the Act. Moreover, to ensure that the scheme remains more favourable the board is empowered to vary or revoke any conditions imposed by it.

Clause 5 of the Bill proposes that section 5 of the Act be repealed and re-enacted so as to maintain the board's general powers in this regard, but to specify existing or proposed awards and industrial agreements as instruments that may confer benefits not less favourable than provided for in the Act, and to specify by whom application for exemption may be made.

Clause 6 proposes amendments to section 6 of the Act in respect of service deemed to be continuous. The proposal follows closely the continuous service provisions put forward in the Sick Leave Bill

and provides in paragraph (a) (iv) that "any period not exceeding six months or such longer time as the Board of Reference may determine in a particular case, for which the employee is entitled to receive weekly payments for total incapacity under the Workers' Compensation Act" shall count as service.

In this matter the Government has received a submission from the Law Society of Western Australia. The society argues that a person injured in the course of his employment should not suffer loss of entitlement, or be forced to make up time before qualifying for entitlement. The Government agrees with this submission.

A further proposal in clause 6 provides that the terms "calendar year", "sick leave", and "sick pay" have the same meanings as they have in and for the purpose of the Sick Leave Bill. This arises from the desire to achieve uniformity between various pieces of industrial legislation.

Clause 7 puts forward proposals to fix dates deemed commencing dates under the Act for new categories of employees. These provisions are necessitated by the proposed extension of the Act to all employees.

Clause 8 proposes the repeal and reenactment of section 8 of the Act, which deals with entitlements. Ordinary and *pro rata* entitlements are set out in the proposed subsections (2) and (3) for employees not previously entitled to leave under this Act, and employees who have previously become entitled to leave under this Act, respectively.

The separate references — necessitated by the extension of the Act to all employees —continues into proposed subsection (4) which deals with the basis of calculating aggregate amounts of long service leave credits.

Proposed subsection (5) sets out the method of calculating aggregate credits for employees whose long service leave entitlement arose from an award, industrial agreement, or scheme. Clause 9 is a consequential amendment.

Clauses 10 and 11 propose amendments to the Act in respect of appeals against a determination of the Board of Reference and how appeals are to be made, heard, and determined. These measures follow similar ones proposed in the Sick Leave Bill. I commend the measure to the House.

Debate adjourned for one week, on motion by Mr. Mensaros.

TOWN PLANNING AND DEVELOPMENT ACT AMENDMENT BILL

Second Reading

MR. DAVIES (Victoria Park—Minister for Town Planning) [5.41 p.m.]: I move—

That the Bill be now read a second time.

This short and simple Bill provides the Deputy Town Planning Commissioner with the necessary statutory powers to act in place of the commissioner while he is sick or absent for any reason.

Under the provisions of its Act, the Public Service Board has arranged for the abolition of the office of Chief Planner and the appointment of a Deputy Town Planning Commissioner in his place.

Since the principal Act was passed in 1928 the responsibilities of the Town Planning Commissioner have necessarily greatly increased. With the growing need for closer liaison between the State and the Commonwealth in the field of urban and regional development, he is frequently required to be absent from Perth. This Bill ensures that the work of the department can proceed unhindered by giving his deputy all the powers necessary to act on his behalf, and it is seen as a necessary piece of legislation to provide for the effective administration of the Act.

Debate adjourned, on motion by Mr. Rushton.

HOSPITALS ACT AMENDMENT BILL

Second Reading

MR. DAVIES (Victoria Park—Minister for Health) [5.42 p.m.]: I move—

That the Bill be now read a second time.

The present Hospitals Act provides power under subsection (5) of section 17 for the Treasurer of the State to guarantee loans raised by boards of public hospitals appointed under the Act.

The purpose of this Bill is to extend the power to enable the Treasurer to guarantee the repayment of a borrowing by any religious or charitable organisation where the purpose of the borrowing is to enable spending on a project connected with a private non-profit hospital or nursing home.

In the past, several applications have been received from private hospitals for such guarantees but approval could not be given because no power exists under the Act.

Members will be aware of recent publicity concerning proposed major building construction to be undertaken by the St. John of God Hospital, Subiaco, which will improve the standard of that hospital and enable it to assist in the teaching of medical students. The project is of importance to the State and it is most desirable for there to be a Government guarantee if necessary for the borrowings which will make the work possible.

It is emphasised that there is no intention to create a power of guarantee in relation to any profit-making hospital or nursing home.

Members should not confuse this matter with the Government undertaking to repay interest on moneys borrowed. This power already exists under section 7A(c) of the Act.

Debate adjourned, on motion by Dr. Dadour.

BILLS (3): MESSAGES

Appropriations

Messages from the Governor received and read recommending appropriations for the purposes of the following Bills—

1. Town Planning and Development Act Amendment Bill.
2. Hospitals Act Amendment Bill.
3. Long Service Leave Act Amendment Bill.

EVAPORITES (LAKE MacLEOD) AGREEMENT ACT AMENDMENT BILL

Second Reading

Debate resumed from the 29th March.

SIR CHARLES COURT (Nedlands—Leader of the Opposition) [5.46 p.m.]: This Bill seeks to ratify an amendment to the Lake MacLeod evaporites agreement. It is important that members should realise that on the 27th March the Minister tabled the amending agreement under date the 14th November, 1972, which is not part of the ratification procedure. The ratification we are dealing with in this Bill is in respect of an amendment under date the 15th November, 1972. I am assuming that the difference in dates is because the Government felt it could deal with the one variation under the variation clause, but could not deal with the other one without ratification by Parliament.

I do not know the basis of the advice, but that advice is inconsistent with that which I used to receive regarding the interpretation of the variation clause, but I will have more to say about that anon.

If the Opposition were the Government, the Bill would not be here in its present form, and good reason exists for this. We do not question the need to review and amend agreements from time to time, but we do question the form in which this agreement has been submitted for ratification.

Because of the nature of the area related to the agreement—namely, Lake MacLeod—the agreement and the project have a special significance to the whole of the salt industry. In fact, because of the peculiarities of the area, which were well known at the time the agreement was negotiated originally by the then Government, unless the project is properly administered by the company and the Government it could be the means of depressing not only the salt industry of the State, but also the salt industry of the rest of the world. Therefore the project called for special consideration.

When the Bill to ratify the original agreement was introduced, and when the project was originally announced, emphasis was placed on the fact that this was a potash project. I can say quite categorically that had it been submitted as a salt project only it would never have been negotiated in its original form. We made this clear to the company, which accepted the fact, and it used a considerable degree of imagination and initiative and presented to the Government a proposition based purely and simply on potash as the basic chemical for the project; but with the qualification, of course, which was well understood by both the Government and the Parliament when the original Bill was introduced, that salt would be produced as part of the process for producing potash.

At the same time various problems were discussed as to how the salt would be dealt with and it was explained that large stockpiles of salt would be generated as a result of the potash process. However, some of these would be refined and would be sold as marketable industrial salt.

I mentioned this with some force at the start because the emphasis always was on potash and this fact must not be lost sight of in the consideration of the amendment. If this had not been emphasised by the Government of the day, and to Parliament as well as to the public, I am certain strong representations would have been made by the other projects which are basically salt producing. In other words, they have no source of income other than industrial salt until such time as they get into a much more sophisticated and advanced field when they will be processing the bitterns to produce quite a range of chemicals; but this is something which will come in the future and only when cheap power is available and when some of the world markets change considerably from what they are at present.

However, as was indicated when the original Bill was introduced and other Bills dealing with salt were dealt with, the day will come, certainly within 15 years, when the bitterns will be processed and some of the chemicals will be extracted. In fact when some of the modern techniques are employed and the demand for very sophisticated metals to withstand fantastic temperatures increases, the day will come when metals will be produced from some of the chemicals in the bitterns in these various salt projects. However, that is in the future and something which will be very much dependent on extremely cheap power. My own guess is that as the world moves into the more sophisticated field of supersonic aircraft,

space programmes, and the like, there will be a great demand for some of the metals produced by very sophisticated means. However, that was not the basis of the original agreement in the case of either Texada or the other projects, it being clearly understood that any advance into the more sophisticated chemical field would be a thing of the future.

Lake MacLeod is quite different from any of the other salt projects. In the case of Lake Lefroy there is a natural lake which—for various chemical and scientific reasons—does not provide the same type of sale and base product as is the case at Lake MacLeod. It has quite a different background because its salt is exported through Esperance. It had to make a very large contribution as part of the actual capitalisation of its industry to assist in the standardisation and upgrading of the railway system to Esperance. It also carries the permanent disability that it has to pay a rail freight for a considerable distance the whole time.

We were rather sceptical about whether the Lake Lefroy project would be able to stand these costs. However, in its wisdom the company decided that for a number of reasons it could make the project viable and at its own risk proceeded with the project which was the subject of legislation introduced into the House.

The salt-producing projects of Leslie Salt at Port Hedland, Dampier Salt at Dampier, and Shark Bay Salt at Shark Bay, have man-made ponds which are used for storage, evaporation, and eventually for the crystallising of the salt. This is the only product they have until such time, as I mentioned earlier, as the bitterns are processed so as to produce chemicals. In other words, the important thing to realise is that in respect of Lake Lefroy, Shark Bay, Dampier, and Leslie Salt, they are entirely dependent on salt for their income.

The disability with this is that salt is a very low-priced commodity. It is always competitive and sometimes it gets even more so. A number of factors have made it extremely competitive—almost a cut-throat business on an international basis —over the last year or two.

When the Brand Government embarked on the salt industry discussions in the initial stages, it had the following points in mind: First of all it had in mind the development of a market in Japan to meet the expanding demands of the Japanese who have a very large and competitive soda industry, but not the capacity to produce salt. Therefore they were the potential customers, the object being to capture approximately half their market. The main supplier other than ourselves was to be Mexico.

A substantial potential existed in mainland China, but at that stage it was a very precarious form of supply and the Japanese favoured Western Australia as a major source of raw material.

The second objective was ultimately to develop a chemical industry in Western Australia based on salt in order to supply the Japanese markets with an alternative form of raw materials. Instead of sending raw industrial salt to Japan the idea was eventually to send chemicals in various forms, preferably produced in W.A. by joint venturers. This was similar to the pattern we planned to follow in the mineral industry in due course. We hoped this would, initially in a modest way, and later in a very substantial way, absorb the salt in a way other than export in its raw form, but would be exported in chemical form following processing.

The markets intended for these chemicals initially were Australian and Japanese. But of course once the more sophisticated form of chemicals are produced the market is the world as distinct from the very limited field when supplying a low-priced commodity like salt to an industrial country like Japan. We had to accept at the time that the prospects of large markets in countries like Europe and those further away than Japan were very poor indeed. I am referring to huge quantities and not the odd "spot" sale shipment of 50,000 or 100,000 tons. So the whole of the industry was very much geared to Japan.

The next phase in which we were interested and in which the present Government is interested—but it is an elusive one —was the petrochemical industry. The two phases of course are to take industrial salt and produce caustic, which we are using in large quantities here for alumina refining, and eventually process the chlorine—which is more difficult to handle —and then branch into the petrochemical industry. It is elusive because it has to be done on an ever-increasing scale. For instance, 10 years ago when talking about a petrochemical industry to process chlorine, a 30,000-ton plant was a viable proposition on an international basis; but 10 years later anything under 250,000 tons is not economical by world standards, so great has been the step-up in the economies of scale in this particular industry.

Mr. Graham: That is something we tried to point out to you in connection with Amax, incidentally.

Sir CHARLES COURT: I do not know that that is relevant.

Mr. Graham: Oh, yes, when dealing with the necessity for an increased scale of operations.

Sir CHARLES COURT: That is the situation with Pacminex. Its problem was that it started off as a 400,000-ton scheme and found it was not viable; but that is not peculiar to this industry.

Mr. Graham: I am aware of that. I am acknowledging that you did not acknowledge that point when we were discussing Amax.

Sir CHARLES COURT: We did because we told Parliament and the public that Amax could no longer get off the ground with a 400,000 or 800,000-ton project. It had to be something in excess of 1,000,000 tons.

Mr. Graham: Very much in excess.

Sir CHARLES COURT: Locations have a great deal to do with the scale because in an isolated area all the establishment costs with all the necessary infrastructure represent the highest capital cost per ton of production. However, once a venture is established the tonnage can be extended on a more economic basis.

In introducing his Bill the Minister referred to the fact that we had stressed the importance of developing the full potential of Lake MacLeod; and this is true. However, I submit, with respect, that he has misinterpreted the reasons for which we were placing restrictions in the original agreement to ensure we could have access to the full potential. The reason for this he will find recorded in the papers and the officers who assisted with negotiations would confirm it. It was that Lake MacLeod is a huge area. I think it is some 80 miles long and it has the rather unusual feature of having certain chemicals in the brine which are not normally in this type of lake.

After some projections had been made by engineers and others, it appeared to us at the time that it would be very difficult—in fact, almost impossible—for a company like Texada eventually to develop the full potential of Lake MacLeod. The company thought it could and had made its own projections. In all sincerity, we accepted them as being made in good faith but we wanted some in-built protection just in case we finished up with a situation whereby the company could exploit, say, only one-third of the huge lake which had a tremendous potential so far as chemical production was concerned.

The particular clauses were written around this. The most important subclauses are 9 (1) (g) to (j) on pages 21 to 23 of the original agreement. These clauses gave the Government of the day the right to call the company into consultation and to receive its submissions. I think it was referred to as programme 1 and programme 2, but it could have been the first and second programmes. I forget the exact legal phraseology. The company had to demonstrate to the Government how it could put this potential to use. If it could not, we wrote into the agreement conditions under which the Government of the day could intervene and bring in other operators.

I think this is a sensible provision. It could well be that somebody could take part of the brine and use it for a purpose, which was highly economic and desirable, other than potash if Texada was not willing or able to do this.

On the other hand, we were careful to write in that any subdivision of Lake MacLeod had to be on a basis which gave ample protection for the legitimate programmes of Texada. Secondly, nothing was to be done on a physical basis which would upset Texada's programmes. I believe this was a sensible way to do it.

The company was not happy and would have preferred to have the lake to itself for the whole duration of the project. Eventually, Texada agreed with the safeguards which the Government had written in. If the Minister studies the agreement from that angle, he will realise this was a sensible course of action.

It had a further objective, too. By knowing that there was to be a review period, this gave Texada the incentive to go faster and to find ways and means—if necessary, by bringing in joint venturers—to produce other chemicals or, in other ways, to exploit the full potential of the brine. To summarise, we did not care who did it as long as it was done effectively and efficiently. On the other hand, if it was not viable we would know the lake was being used to the maximum world demands dictated at the time and everyone would be thoroughly happy.

Mr. Graham: These provisions are not being disturbed in any way.

Sir CHARLES COURT: No, they are not. I am stating these facts as a matter of historic record. I do not criticise what the Deputy Premier has said. The facts of this case are important and I would not like them to be misunderstood now that the agreement is up for review. I would not want any misunderstanding on the part of the company or the Parliament, because the company may come along later on and say that a different interpretation was put on the agreement in 1973 than the one which it understood applied in 1967.

The company knows there was a great deal of argument around these clauses. Eventually it conceded with good grace that we were entitled to protect the future. We left it wide open for Texada to come in and develop the lot if it could find the ways and means to undertake this development, either alone or in conjunction with acceptable joint venturers.

This brings me to the really crunchy bit of the whole exercise; that is, the substitution of langbeinite for the chemicals which are set out in the original

agreement. The original agreement gives a definition of "evaporites" and also a definition of "potash". It refers to potash as the evaporites potassium chloride and/or potassium sulphate.

These were two commodities which have special reference to and application in Australia. It was hoped that, as a result of this project, Australia would have access to these two commodities for the rural industries of Australia. At present they are imported.

It attracted considerable interest in Australia when it became known that we would be self-contained for both these products if the project were successful. I am referring to the two products, potassium chloride and potassium sulphate. There is a mighty difference between potassium chloride and potassium sulphate, and what is now proposed; namely, langbeinite. This was always regarded as a poor substitute. I have used the words "poor substitute" for two reasons. First of all, we have not been able to identify markets for langbeinite. On a number of occasions the Deputy Premier has answered questions of mine on this matter. Langbeinite is mined in other countries and there is a limited market for it. The product can only be sold when a magnesium value as well as a potassium value has to be added to the soil. For instance, I think New Zealand uses some. America and Japan use some but the quantities are not great compared with the chemicals of potassium chloride and potassium sulphate.

To the best of my knowledge there are no markets in Australia for langbeinite. In fact, I have not been able to identify any serious use of langbeinite in Australia. The Minister may have some more information and I hope he will give us a clear statement on this when he replies. I want to know the markets which have been identified to him by the company. In the course of submitting proposals to the Government the company has to give a clear indication of its proposals for developing the engineering side and the chemical production side. It must also give a clear assurance of its financial capacity and, above all, an assurance on markets. I repeat that at this stage we have not been able to identify areas where langbeinite could be marketed in Australia or elsewhere.

I am not assuming the company would be so incompetent—or, for that matter, stupid—as to propose to invest a great deal of money in a plant when there is no sale for the product. However, at this point we have not been able to identify the markets although I have written to various parts of the world and made inquiries through trade commissions. At the moment, we have not been able to identify any markets for langbeinite either in Australia or in other countries.

I know that there are markets, but it would mean competing against well established companies which can produce langbeinite cheaper than we can produce synthetic langbeinite which would come out of Lake MacLeod. It is referred to as synthetic langbeinite but I doubt whether that is the correct technical term. It is a term which grew up at one stage and its use points to the difference between langbeinite produced from this type of material compared with langbeinite which is actually mined in the United States and other countries.

In his speech notes, the Minister said that the importation into Australia is, almost entirely, potassium in the conventional form of either sulphate—which is known in the trade as sulphate of potash —or chloride—which is known in the trade as muriate of potash. Even in his notes, the Minister did not enlarge on this and say whether he could see a substitute product being used in the form of langbeinite —either in its original form or in some refined form—to replace these imports into Australia.

Sulphate has a potassium content of something like 40 to 42 per cent. and muriate has a content of something like 48 to 51 per cent. These are the real keys to the whole problem confronting the Government and the company when they look at the question of getting production out of Lake MacLeod. The reason is, the Government has now approved a project which does not have to have a potassium content in excess of 17 per cent., whereas the products originally provided for had to have a potassium content of 40 to 42 per cent. in the case of sulphate and 48 to 51 per cent. in the case of muriate.

This is the real crunchy bit so far as this exercise is concerned. Although the agreement provides that langbeinite will have a potassium content of not less than 17 per cent., in practice I understand it will come out at something like 18.9 per cent. in the process which is to be used. The Government is wise to stipulate a figure which is slightly lower than 18.9 per cent.—because of the variations which occur in production —if it is the intention and desire to insist that langbeinite be the substitute product.

The Minister referred to the fact that the question of langbeinite had been the subject of discussion between the company and the previous Government. I was tempted to ask the Minister to table the papers on this matter but he referred to a secret process. On a previous occasion when I asked him to table some documents he said it would not be fair to the company—and I accept this—because it was in a highly competitive business. At the time I well remember the discussions which took place. The company was of the opinion that it would have a better market for langbeinite. We could not see

it, but the company said it could. It also said it would find a quicker and easier way to produce potash through langbeinite than the originally intended processes.

I must rely completely on my memory but at the time I think we authorised the company to carry out some studies. The company put forward the names of a couple of institutes which were carrying out this research. We made investigations to establish whether they were reputable bodies. I am still relying on my memory, but I think reports came back to the effect that the two laboratories undertaking the research were regarded as reputable in their particular fields. The company sought some time from us to undertake these studies in langbeinite as distinct from the original course through sulphate or muriate. We were not happy about it but, when the predicament was explained, as a matter of good sense the Government authorised the company to undertake this type of research. Again, I am relying on my memory, but the company wanted some extra time to undertake this research because the original time was running out.

In the absence of the documents I cannot comment and, of course, I respect that these are secret processes. If I remember correctly, the company was authorised to undertake this research and it was to come back and discuss with the Government how this could best be implemented if, in fact, it meant a change of course.

The principal of the company at the time (Mr. Christensen) gave me an absolute personal assurance that the company would not relax its efforts to find a way of producing sulphate or muriate, or both. It wanted approval for the research into langbeinite as a possible alternative.

It would have been helpful if we could have had the documents. Having regard for the Minister's comments in answer to my previous question and also to the process referred to in his notes, I respected the situation and did not press for the tabling of the documents on this or subsequent research. Here again, we are dealing with a secret process. The mining of natural langbeinite is completely distinct from the production of a synthetic process.

Mr. Graham: I assure the Leader of the Opposition that no prompting on my part brought about the answers to his questions. But there is a necessity for secrecy.

Sitting suspended from 6.15 to 7.30 p.m.

Sir CHARLES COURT: Before the tea suspension I had been summarising the background of the Texada Lake MacLeod agreement, and the circumstances leading up to the special provisions in the agreement whereby it was based primarily on potash. I said that the problem of salt, as a related product, was of course not new. It was clearly understood at the time that when a project did produce potash in large quantities there would also be huge quantities of salt—some of which would be marketable.

I was also dealing with the relative potassium content of the sulphates and the muriates and of langbeinite as the difference is quite considerable; namely, in the sulphate of potash the potassium content is 40 to 42 per cent., and the potassium content in the muriates is 48 to 51 per cent. In the case of langbeinite, it is expected to be about 18.9 per cent., with a statutory requirement of a minimum of 17 per cent.

The Minister in his comments placed great stress on the difference in the quantity of salts produced if the potash as required in the agreement is produced, compared with the langbeinite now proposed. I believe this has been overemphasised—and I am referring to the difference. In any case, this is not an overriding consideration. It was always one of the problems associated with the development of the Lake MacLeod project. It was always assumed that a by-product of potash production would be a very large quantity of salt. The Minister stated that in the course of producing 200,000 tons of langbeinite a year, a co-product of 2,500,000 tons of marketable salt would be produced. I am assuming that the 2,500,000 tons is approximately two-thirds of the total salt production, as at least one-third is normally contaminated in this type of process and is unmarketable. Therefore, in the course of producing 2,500,000 tons a year of marketable grade salt, something like 3,750,000 tons a year will be produced. My information obtained from chemists is that it is more likely to be 5,000,000 tons a year. I want to relate this figure to a proposal I will refer to later about increasing the commitment in respect of langbeinite from 200,000 tons a year to something like 500,000 tons a year. The reason for this suggestion is that it is feasible to relate the potassium content of one product with that of another.

If we do this, as we believe it should be done, it would be fair and reasonable and preserve some degree of equity between all the parties in this matter. We would finish up with something like 10,000,000 tons of salt, even using the Minister's figure. If we use the figure given to me, we would have something like 15,000,000 tons as a likely salt production figure. I have been able to ascertain, that the Minister's estimate of 15,900,000 tons a year of salt which would be produced as a co-product of 200,000 tons of potash, in accordance with the original definition, would be considerably less than this—in fact something in excess of 12,000,000 tons of which at least one-third would be unmarketable. However, one concedes, as was always understood, that large quantities of salt will be produced as a co-product, or

by-product, whatever we call it, of potassium production. Therefore, I am not underestimating the problems which arise when one produces potash from a lake such as this. It is a fact of life that an amount of salt is produced as a co-product, and this fact was accepted at the time. The company then painted a picture of very large quantities of salt, and it assured me, and others working with me, that this would not be an unmanageable problem, so it is not a new factor at all.

I want to deal briefly with the problems of the salt industry generally, because this is one of the crucial factors in connection with the whole project. We know that the salt industry is a highly competitive one, and its competitiveness has been accentuated in recent times due to the reasons stated by the Minister; namely, the ready availability of raw industrial salt at the same time as a levelling out of the market. I understand from the latest figures that the downturn has now bottomed and it looks as though the market is lifting and will achieve a fairly ambitious level by about 1975 or 1976, which is the crucial time in the original planning of the salt industry in Western Australia.

I want to say quite categorically that had the previous Government not exercised a very strong restraining hand on Texada Mines Pty. Limited, the salt situation would have been even more competitive than it was. I know that every time Mr. Christensen came back with a new proposition for salt, we had to take a very strong line with him. We had to check back with Japan, and I am certain the gentleman will confirm this with the Minister because he became very concerned and angry at times. We would carefully assess every proposal and lay down conditions which we believed would not upset the overall situation.

The SPEAKER: Order! There is too much talking.

Sir CHARLES COURT: At that time the major projects in the salt industry of the State were either in the course of construction and getting to the stage of ponding so that evaporation and then crystallisation could take place. I am referring to projects such as Dampier Salt, a very well-engineered project, although it commenced a little later than, say, Leslie Salt and Shark Bay Salt. At that time a market was available in Japan and it could not have been satisfied from Australia if permission had not been given to Texada to sell salt. However, the company entered into negotiations with the Government on the clear understanding that there would be no diminution of its commitments to produce potash. If the company says anything to the contrary, it is not telling the truth.

This was a very difficult negotiation, and a deal was eventually worked out whereby Texada could fulfil some of the requirements of this market on certain conditions. I believed at the time, and I still believe, it was sensible to take advantage of this income for Australia, and also for another reason. The company was generating the salt as part of its pilot plant work, and if we did not supply the salt from Australia, another salt-producing nation—if it had a surplus—could capture the market. Once another nation captured the market, it could easily have drifted to that country on a permanent basis and would have been lost to Australia.

In the light of all this, and after negotiation with the company, it was agreed that the company would be given certain restricted rights of export. On more than one occasion I had to see the principal of this particular company to tell him that we did not like his methods of merchandising. We were concerned about statements he made in Japan in regard to the project and the salt. The Japanese gathered the impression that it was basically a salt-producing project. The Minister will find proof in his records that the company was severely admonished about this because it was conveying a completely wrong impression in Japan and this was causing great concern to companies such as Dampier Salt, Leslie Salt, Shark Bay Salt, and Lake Lefroy; and rightly so. When the principal of the company was brought into consultation about this, he accepted our decision that he could not put forward the idea that the Texada project was a salt project as distinct from the potash project, which it was basically.

Mr. Graham: When did he allegedly do this?

Sir CHARLES COURT: I do not have the files. If the Minister gives me access to the files, I could easily determine this. I cannot give the date but the Minister will see the principal held a big reception in Japan and made a statement about the salt he could and would produce in Australia—he gave a very dramatic figure. He then made a denial of this, but a brochure had been issued at the reception setting out his comments. The Minister will find a copy of the brochure in the file. We had to admonish him for this. The then director of the department and I saw him about it. I said that his proposal would mean a complete breaking of the spirit of the negotiations with his company whereby he was allowed, at his request, to fill in this gap to generate a cash flow. This was a sensible move, provided it was handled in the spirit of the negotiations and not on the basis that it was intended to be continued.

Mr. Graham: At the same time it was inevitable he would be in a position to supply vast quantities forever and a day.

Sir CHARLES COURT: If the Minister looks at the agreement in the spirit intended, and in the actual words of it, he will find that whilst that is true in theory, it is not true in practice because the Government of the day—whatever may be said or written about it—had control of the situation. The basic aim was to produce potash. A long and tortuous path was ahead of the company before it could get to the potash, but it accepted this. We cannot blame the company for wanting to take the easier course on occasions and the principal of the company would be the first to say he never found me easy to deal with when he wanted to stray from the proper path.

Mr. Graham: He wouldn't be an orphan in that.

Sir CHARLES COURT: We had the interests of the taxpayer to look after.

Mr. Graham: We will come to that eventually.

Sir CHARLES COURT: The soda industry very quickly seized on the situation—and I repeat the brochure setting this out is on the file—and it caused some apprehension amongst other suppliers, including the main single supplier to Japan—Mexico. Mexico had some advantages because it based its original transportation scheme on a stockpile island in Japan. Mexico was able to transport the salt in much larger ships than the other countries. The salt was transported to this stockpile island and it was then ready to be shipped to the soda industry in Japan in smaller ships. It was not always necessary to use this system; I understand on many occasions Mexico shipped direct to its Japanese customers. However, the soda people developed their own deep ports to take the larger ships in due time, and this was a new factor in regard to the transportation costs of salt.

The SPEAKER: Order! There is too much audible conversation.

Mr. Graham: I thought the Country Party had taken charge of the debate.

Sir CHARLES COURT: The soda industry is part of a huge chemical complex, and it built big wharves for big ships. It was to the advantage not only of Mexico but other countries, such as Australia, to ship in large ships from the point of origin to the actual consumer.

It was this factor that brought about some change in the landed costs of salt. This is not unexpected, because once bigger ships are used and the product can be sent direct to the wharf of the customer, the costs are reduced without having to lower the f.o.b. value to the shipper.

The Government has endeavoured to write into this agreement some restriction on the tonnages of salt. The figure of 1,750,000 tons a year to the year 1975 is mentioned; but for all practical purposes one year of this period has passed, so the remaining period is only a very short one.

I can find no hints in the Minister's comments as to how he proposes to handle the situation beyond that point. I am assuming he will rely on the normal machinery of proposals, and then endeavour to lay down the conditions. However, as I read his speech, his Press statement, and the amendments to the agreement, I have to assume that he has accepted the proposals for the langbeinite project; therefore he no longer has this bargaining power in relation to the restriction of tonnages beyond 1975. Maybe the Minister will correct this when he replies.

I think that now is the time to tidy up this matter with the company. The company has to realise the circumstances under which it went into the project. It has been treated very fairly and generously, especially when it had trouble with finance. It was allowed to generate some cash flow as a matter of good sense at the time. Now it is seeking for technical and other reasons to introduce langbeinite instead of the original potassium products.

So as to preserve some equity between this project and the other projects which have no other source of income, and are based entirely on salt, I make this suggestion to the Minister: Two things could happen. First of all, the new project should be fixed at a tonnage which would generate the same amount of potash as the original project. When the company first saw the previous Government about its desire to use an alternative process, it was not on the basis of trying to reduce its obligations, but with the object of producing potash through a different channel and by a different process.

As a result of this the company caused research to be undertaken to find various alternatives, and langbeinite was one of them. If we take 200,000 tons a year of the original potash requirement, and relate the quantity to the potash equivalent, we will finish up, for all practical purposes, with a figure of 500,000 tons of langbeinite a year. The new definition of potash is to be—

> "potash" means any of the evaporites potassium chloride potassium sulphate or langbeinite and such other potassium compounds as the Minister may from time to time approve.

It is true that still includes the original chemicals—the chlorides, the sulphates, and the muriates. But, of course, it gives the company the right to do what it has elected to do; namely to produce the easier of the three products.

If we relate the potassium content which is not unusual in chemicals and minerals to the really basic units as distinct from the total tonnages, we finish up with a quantity between 450,000 and 500,000 tons

of langbeinite to give a comparable potassium content of 200,000 tons of potash, foreshadowed and provided for in the original agreement. For all practical purposes the salt factor is the same; so, to my mind this is not the overriding consideration.

I also believe, and I shall give reasons for this, that to be fair to the *bona fide* salt producers who have no other source of income the actual export of salt from this particular project should be related under a formula to the amount of langbeinite that is actually produced and actually marketed.

There is good reason for this, and I do not think it could be objected to by the company if the company were genuine in its desire to produce langbeinite. It certainly could not be objected to by the other producers, because they would then be facing the situation they expected to face when the original agreement was negotiated and announced—again with the emphasis on potash.

If this sale and export of salt is tied by a formula to the actual processing and marketing of the langbeinite, it means that if the plant is not operated and if it does not achieve its original purpose of being a potash project, we then have a situation where the company cannot use Lake MacLeod for a purpose for which it was not intended to be used; namely, as a means of very cheap production of salt, to disadvantage the *bona fide* projects, such as Leslie Salt, Dampier Salt, Shark Bay Salt, and Lake Lefroy Salt. This is in keeping with the original spirit of the agreement, and it was accepted by the company.

It was known that the company would produce big quantities of salt and it was known that it would be allowed to export a quantity of it. That was made clear when I presented the original agreement to Parliament. This is the proposition I place before the Minister: I do not think the Texada company will think this is harsh or unfair. I expected there would have to be some variations, and some flexibility allowed in respect of timetables and tonnages. I am naming the figures as a basis for discussion.

We are suggesting and putting this forward to the Minister as being fair and equitable. It is fair to Texada and its competitors, and also fair to the town of Carnarvon, because a promise was given that Carnarvon would have this industry as a potash project, it being made clear that if it was a salt project, the labour force required would be very small, and the project would not have a great future. It was pointed out that it was a pity to see a deposit, which was different from other deposits, put to a purpose less advantageous than was proposed in the agreement.

I want to move quickly to the question of the two agreements. We have two amendments before us. There is the amendment of the 14th November which was signed by this Government under the variation clause. It enabled the Government in 1971—the date mentioned by the Minister was some time in March—to give the company the all-clear to go forward so far as the arrangement between it and the Government was concerned, and to treat langbeinite as one of the potash products. But this agreement was signed on the 14th November, 1972.

I gathered from the Minister's comments and from what he told me in answer to a previous question that he had told the company in a letter written in March, 1971, that it could regard langbeinite as a substitute product. This the company has done. If the Minister has been advised by the Crown Law Department that the variation of the 14th November, 1972, could be effected without ratification, then I am amazed, because in all my experience with the variation clause the advice we received from the Crown Law Department was that it had very limited application. The department was very insistent that any variation of a major nature had to come before Parliament. I understand the Government has said that under the variation clause it could effect this amendment to the agreement without any need for ratification; but that the rest so far as details of tonnages, timetables, and so on are concerned is subject to ratification.

I shall not quarrel with the legal distinction between the amendment of the 14th November and that of the 15th November, 1972. I could not care less. But if we were in the situation of this Government we would have treated both amendments as being vital, with equal need for ratification. We would regard these as not being the normal ones to be dealt with under the variation clause, without ratification by the Parliament.

Mr. Graham: In your agreement you made no provision whatsoever for reference to Parliament.

Sir CHARLES COURT: We did, of course.

Mr. Graham: I refer you to clause 16 of your agreement.

Sir CHARLES COURT: This is where the Minister and his colleagues always cease reading before they get to the end of our variation clause. I am telling them that according to the advice we received from the Crown Law Department we had a very limited field in which to manoeuvre in respect of the variation clause. If the senior officers of the department have now changed their minds and have a different interpretation I cannot be blamed for that.

Mr. Graham: What interpretation can there be when in your 1967 agreement you made this proviso—

> The parties hereto may from time to time by mutual agreement in writing add to vary or cancel all or any of the provisions of this Agreement. . . ?

Sir CHARLES COURT: Will the Minister finish reading the definition?

Mr. Graham: To continue—

> . . . or any lease license easement or right granted or demised hereunder or pursuant hereto for the purpose of more efficiently or satisfactorily implementing or facilitating any of the objects of this Agreement.

Sir CHARLES COURT: That is the point, and that is the difference. During the time when our Government was in office the officers of the Crown Law Department interpreted this last provision—"objects of this agreement"—as having very severe limitations. The Minister initially read out the first part, but now that he has read the whole of it we find it is an entirely different clause. The whole matter is now before Parliament, and I am giving the Minister the advice that we received from the Crown Law Department. I assume that the advice which this Government has received from the senior officers of the Crown Law Department is different from the advice which we as the former Government received. In those days they advised us that we should take a matter like this to Parliament.

The whole agreement is now before us and we are able to discuss it frankly. I am merely pointing out that it is strange as all of a sudden this seems to take on a different significance from what it had in those days, because we did not seek to have a clause as wide as the Opposition claimed it was. In fact, my leader of the day was very circumspect about these matters, and insisted that when in doubt we were to go to Parliament on this type of proposition.

The Minister mentioned that the interpretation of potash in the original agreement was challengeable. However, the best advice I have been able to obtain is that this is not so, and the definition could not have been clearer; that is, if we took the original definition of "potash" in conjunction with the definition of "evaporites".

I gather from the Minister's letter to me that the company has suggested that the definition is arguable and challengeable. We cannot blame the company for suggesting that; but the best legal advice I have been able to obtain—and when in Opposition one has limited opportunity to obtain such advice—is that it is not challengeable. I suppose that is an overstatement, because it does not matter whether a definition is as clear as the sun rising in the morning; we would still have people taking the matter to court.

In this case I am advised the definition is so clear that it is not challengeable. However, the Minister has been advised that it is challengeable, and for that reason he wanted to alter it. He has altered the definition but it has not been ratified. Now that the details of implementing the langbeinite proposals have been brought together in a further agreement, he is submitting the second agreement for ratification.

I want to conclude by saying that our proposal is a sensible one. If Texada is earnest in producing potash—and it has always claimed to want to—then it should not object to producing the same degree of potassium as was provided in the original agreement, of 200,000 tons ranging between 40 and 50 per cent. All that this will mean is that the Minister will have to negotiate with the company to accept this principle. At the same time the company should show its goodwill and good faith by accepting the commitment that its actual export of salt, after a given period, will be related by a formula to its actual production of potash. To my mind this would be the sensible way of handling the situation.

During the course of his introductory speech the Minister referred to the commitments which the company has accepted. He referred to the fact that its financial commitment is now $18,000,000. Well, let me hasten to make this point clear: The most important commitment in this agreement is the capacity.

If one refers back to any of the major mineral agreements which have been entered into, one will find that the money figures inserted bore no relationship—or very little relationship—to the final cost factor. We had iron ore agreements which referred to costs of £40,000,000 or $80,000,000 as the minimum expenditure, but in point of fact we knew that even with the costs of the day those ventures would cost $150,000,000, $200,000,000, or $300,000,000. However, the important factor—the one which really catches the companies if they try to shortcut—is that of capacity. By relating commitments to capacity, as well as money, one can get the best of two worlds. If inflation catches up the money figure becomes unimportant to the Government of the day because the agreement is still related to the capacity. The companies have to spend and spend until they reach the point of the capacity commitment.

I would suggest that because of inflation, and other factors, the original investment of $13,000,000 for the original planned capacity would now be something like $30,000,000 or $40,000,000. So I do not take much notice of the figure of

$18,000,000 which is the expenditure incurred to date. Such an expenditure is not unusual in a case such as this where costs are rising and where a company is entering into a field of technology which was probably not clear at the time of the original agreement. I stress that we do not have regard so much for the money commitments as we do for the capacity of the plant and its use.

To sum up, we want to withhold our judgment in connection with this agreement until we have heard the reaction of the Minister to our suggestion. We think it is a sensible one. It acknowledges that the company might have good reason to want to vary the commitment from the original one to produce potash. We do not believe that the company should be relieved, in any way, from the spirit of the original agreement which set out that 200,000 tons of potash should be produced. If langbeinite is produced the percentage of potassium should be relative. A production of 200,000 tons of langbeinite would not meet the original commitment set out on page 6 of the agreement where potash is defined as potassium chloride and potassium sulphate.

In the light of that we would like to get the reaction of the Minister to this suggestion. I would be surprised if the company was anything but receptive. It would understand the facts of life, and it would know what was expected in the original commitment. We are not attempting to be "a dog in the manger". If the company desires to take the course we propose, then that will be all right as long as the quantity of potassium is the same as that set out in the original agreement. As I have said, we would like the reaction of the Minister.

You, Mr. Speaker, are in an invidious situation because the location under discussion is in your electorate. So, too, is the Shark Bay project which has gone through quite a few trials and tribulations and changes since it was the subject of discussion in the House. We await the Minister's comments.

MR. GRAYDEN (South Perth) [8.05 p.m.]: I was rather astonished to hear the Leader of the Opposition refer to the fact that in 1971 the Deputy Premier advised Texada that it could vary the agreement which was entered into in 1967. I hastily read through the speech made by the present Minister, when he introduced the Bill, and sure enough he did admit that he had varied the agreement.

I regard the variation as a major one and the action which has been taken in these circumstances astonishes me. I can recall the debate which took place when the original agreement was discussed, and I can recall what the members of the then Opposition had to say in respect of the variation clause. I was one who supported their attitude at the time, and I agreed that if there were to be any variations anywhere along the line those variations should be brought before this Parliament.

On this occasion the Deputy Premier has actually told the company that it could produce langbeinite rather than potash, and that constitutes a major change. Let me refer to some of the statements made by various speakers when referring to the variation clause in 1967. I will quote what the present Premier had to say on that occasion because he was fairly explicit. At page 641 of *Hansard*, 1967, the then Leader of the Opposition —the present Premier—had the following to say—

> That is something we are not able to do because of the way this legislation is drafted. I ask members to listen to this—
>
> > The parties hereto may from time to time by mutual agreement in writing add to vary or cancel all or any of the provisions of this Agreement or any lease license easement or right granted or demised hereunder.
>
> That is a complete blanket control given to the Executive. Within 24 hours of Parliament having given its time to a consideration of all the provisions of this agreement, the Executive can rewrite the whole lot in such a way that it is completely unrecognisable.

At a later stage of his speech he went on—

> If it is necessary to vary, add to, or alter any part of the agreement, or all of the agreement, the proper way for this to be effected is for it to come back to Parliament; and we should be given the reasons why these alterations are considered necessary, and why the conditions should be changed. In this way we would be able to determine if, in the circumstances, it is right and proper that this sort of thing be done.

That is only one statement made by the Premier, who was then the Leader of the Opposition. We had statement after statement along those lines. However, notwithstanding what the Deputy Premier had to say about the variation clauses, particularly during discussion on the various iron ore agreements, he has taken it upon himself to vary an agreement in a major way. I am astonished that this should be so in view of the arguments put forward by the Deputy Premier in this House over a long period.

Another point which rather interests me is that the measure now before us provides for a reduction in processing by Texada. I am at a loss to understand why this should be so. It is relatively fresh in my mind—and it must be relatively fresh in the minds of most members—that the Prime Minister came to Western Australia

recently and opened a smelter in Kalgoorlie. I think it will be recalled that on that occasion—about a fortnight ago—the Prime Minister stated that various actions on the part of the Federal Government had had an adverse effect on the mining industry in Western Australia. A report of what he had to say appeared in *The West Australian* on the 9th April and, in part, was as follows—

> At the opening of the $30 million Western Mining Corporation Ltd. nickel smelter, Mr. Whitlam said he was very much aware that the mining industry had been directly and unfavourably affected by Federal Government measures.

He went on—

> Our measures will encourage more processing of minerals in Australia and lead to greater employment opportunities.

That statement was made by the Prime Minister of Australia in Kalgoorlie only two weeks ago. Yet we have a Bill before us tonight, in the State Parliament, under which the Government of Western Australia will make it possible for a company to reduce its processing requirements, or its commitments. That is the simple situation.

We know the conditions under which Texada went to Lake MacLeod, and a long debate took place in the House concerning the measure. The company was granted a huge concession of some 900 square miles of the vast lake. The 900 square miles was ideally situated for the production of salt, in a situation where the company did not have to put up with many of the problems which confronted other producers. It was a first-grade location. I was critical at the time that the company should have been granted such a concession. The grant was made because the company was to establish a potash industry in Western Australia; it was for that reason and that reason only. Because of that we put aside our objections. At the time we were importing some 10,000 tons of potash a year into Western Australia for agricultural purposes. That potash was worth in the vicinity of $100 a ton so we were importing $1,000,000-worth each year.

We set aside our objections and the arrangements went ahead for the company to receive that wonderful concession on the basis that it would produce potash. Now, as a consequence of an administrative act by the Deputy Premier, the agreement has been set aside. The company can now manufacture langbeinite instead of potash. As has been indicated by the Leader of the Opposition, langbeinite is not the same as sulphate of potash or muriate of potash; it is different altogether.

This is an instance of the Government paying lip service to the principle espoused by Mr. Whitlam. Virtually each new Act introduced by the present Government, in respect of matters covered by the previous Government, has in some way provided for a reduction in processing.

We can refer to the iron ore Bills which were introduced in 1960 or thereabouts. Every one of those agreements provided for extensive processing. Two iron ore Bills have been introduced into the House during the term of the present Government, and neither of them measures up to previous agreements, having regard for the processing requirements. That is the situation in respect of iron ore.

In this instance the previous Government wrote into the legislation certain conditions requiring maximum processing. However, the present Government has reduced those requirements. This is in spite of the fact that in Kalgoorlie Mr. Whitlam made a statement that his Government had seriously and adversely affected the mining industry in Western Australia. However, he claimed that it had been done for the purpose of ensuring maximum processing which would ultimately lead to more employment.

So we find the situation is exactly the reverse of what he says. I do not think we distinguish between State Governments and Federal Governments — the Labor Party is going out of its way to reduce the processing requirements. It was the Liberal-Country Party Government—not of recent years but of some years ago; in 1960 or thereabouts—which was writing into the iron ore and other legislation of the State the stringent processing requirements talked about by Mr. Whitlam today.

To my mind Mr. Whitlam was simply paying lip service to this principle when he made the statement in Kalgoorlie the other day. When any member of this Government expresses similar thoughts then obviously he too is paying lip service to the principle in question.

One of the main purposes of the Texada agreement which was entered into was to provide sulphate of potash and muriate of potash for the agricultural industry in Western Australia. As I mentioned earlier, at that time we were importing into this State 10,000 tons of potash a year which was valued at approximately $100 a ton. The potash was being used extensively, particularly in the south-west, because it helped to encourage quick growth. It is used for the growing of potatoes and similar crops.

There is no suggestion anywhere along the line that the chemical langbeinite to be produced by Texada is equally suitable for agriculture. There is no evidence of this at all. Yet we find the company, notwithstanding the gigantic concessions I have

mentioned, has been relieved of the necessity to manufacture potash, and Western Australia will continue to import 10,000 tons or more of potash a year. Quite recently questions on this matter were asked in another place. It was asked—

(a) Has the Department of Agriculture made a suitability study of langbeinite to Western Australian agriculture; and

(b) if so, will a copy be laid on the Table of the House?

The answer given was as follows—

(a) and (b) The Department of Agriculture has not made a suitability study of langbeinite but it has verbally informed inquirers that langbeinite would be a suitable form of potash from the point of view of availability to pastures and crops.

So the Department of Agriculture has verbally informed inquirers that this would be a suitable form of potash from the point of view of availability. But the question of availability is not the only consideration; it is also a question of price and a number of other things. The second question asked was—

Will the langbeinite proposed to be produced by Texada Mines Pty. Limited reduce the cost of potash to Western Australian primary producers?

The answer states that this is not known. That is a strange sort of answer. Here we have a Government which has drastically changed the terms of an agreement; changed the terms to ensure that the company is required to do a lot less processing, and yet no inquiries at all have been made to ascertain whether the end product will be suitable for agriculture in Western Australia.

This matter is serious, particularly when we take into consideration the fact that one of the purposes for granting the concession to the company was to make the State self-supporting so far as potash was concerned; so that instead of Western Australia having to import $1,000,000-worth of potash a year we could obtain it from Lake MacLeod. A further question was asked as follows—

What are the—

(a) uses in agriculture,

(b) types;

(c) quantities,

(d) prices;

of potash in this State?

The answer given reads—

(a) Potash is principally used for south west pastures plus some use for intensive crops.

(b) Potassium chloride (muriate). Potassium sulphate.

These are the two types of potash used for agriculture in Western Australia. The answer continues and states—

(c) In 1967, 10,000 tons of potash were used in W.A. mainly as muriate, and 6,500 tons of this were used on pastures. Usage is somewhat higher now, probably over 16,000 tons, but no precise figures are available.

This means we could possibly get a figure of $1,600,000-worth of potash being used in Western Australia at the moment. I think this is an extraordinary situation—that in Western Australia we are using over 16,000 tons of potash a year to the value of $1,600,000, and yet the Deputy Premier can so drastically vary an agreement of the type to which I have referred. The fourth question asked—

(a) Is it possible to further refine the potash deposits held by Texada to a more suitable product for agriculture; and

(b) if so,—

(i) is it proposed to further process them; and

(ii) when?

And the answer given reads—

(4) (a) Langbeinite can be further refined to a more concentrated potash source, but this would depend on economics.

(b) (i) and (ii) This is not known.

So it can be seen that virtually no inquiry has been made by the Department of Agriculture, the Mines Department, or by any other department to ascertain whether the langbeinite which it is proposed to manufacture at Lake MacLeod can be used in the agricultural industry. There is every possibility it will not be suitable; that it is not as readily available as other types of potash; and that it will not be economic. Yet we find the Deputy Premier prepared to vary an important agreement in this way, notwithstanding what the Prime Minister said when he visited Kalgoorlie recently.

I only rose to my feet to express astonishment that the Deputy Premier should have varied the agreement in the first place. I express astonishment also at the fact that the Government has yet again introduced into this House a Bill which provides for a reduction in processing rather than an increase in processing. I also express resentment at the lip service which this Government and the Federal Government are paying to the principle of maximum processing as far as this type of agreement is concerned.

MR. GRAHAM (Balcatta—Minister for Development and Decentralisation) [8.23 p.m.]: If I were a betting man my money would be on the fact that we have heard less of potash and more of balderdash from the member who has just resumed his seat—the member for South Perth.

Because some members may be influenced by his extravagant words I think it is necessary to do a little basic thinking in this matter. Let us have a look at the existing agreement. It will be seen that it has very little reference to potash. It is not a potash-Lake MacLeod agreement; it is an evaporites agreement.

Sir Charles Court: Look at the definition.

Mr. GRAHAM: It is to give effect to an agreement relating to the production of evaporites. The agreement then continues and states the amounts to be produced, commencing at 75,000 tons per annum and shortly growing to 200,000 tons per annum. It then progressively increases until by the end of the eighth year the amount produced will be 1,000,000 tons of evaporites, including potash; not potash exclusively. This can be found in clause 9 of the agreement.

If we look at the next part, which is page 21, the agreement continues and says within the term of 10 years following all of this—that is to say, from the 11th to the 20th years—there must be a firm programme of expansion of production and then, again, within the term of 20 years—that is from the 21st year to the 30th year of existence—a firm programme of expansion.

Sir Charles Court: That is right.

Mr. GRAHAM: So one wonders where exactly this will finish.

Sir Charles Court: That is because the Government had control all the way up.

Mr. GRAHAM: In a moment we will come to how much control there was. The situation is that a complete mess was foisted upon this industry by the previous Government; a great deal of it was done out of ignorance.

Sir Charles Court: Who told you that?

Mr. GRAHAM: Accordingly this Government is placed in the position of trying to rectify the matter as far as possible.

Sir Charles Court: We have heard you on this before so many times.

Mr. GRAHAM: I will demonstrate the facts of life in connection with what we heard the present Leader of the Opposition tell us when he introduced the legislation in question. This can be found at page 580 of *Hansard* for the year 1967. He said—

> I want to stress that the Bill is to ratify an agreement which contemplates rather than provides for the establishment of a potash industry.

Sir Charles Court: That is correct.

Mr. GRAHAM: Yes.

Sir Charles Court: Because of the research programme.

Mr. GRAHAM: So it has come to pass that this was a contemplation or a hope rather than anything else. The present Leader of the Opposition then continued and this is where he made the fatal mistake—and I say it was due to ignorance on his part and, as much as I hate to say so, it was also due, apparently, to a misunderstanding of the situation by the department.

Sir Charles Court: There was no misunderstanding at all.

Mr. GRAHAM: I say this because the Minister at the time said, "It is estimated that approximately 3,000,000 tons per annum"—he is now speaking of salt—"will be available as a by-product from the production of 200,000 tons per annum of potash."

So it was envisaged that the impact of this new industry upon the production of salt would be to the tune of 3,000,000 tons per annum, or thereabouts.

Sir Charles Court: Not in the market place, because you dealt with that figure earlier.

Mr. GRAHAM: I referred this to no less a person than the Co-ordinator of Development and Decentralisation in the State of Western Australia. After giving considerable detail in reply to my question he said that the short answer is that 200,000 tons of potash produces 17,700,000 tons of salt of which 15,900,000 tons would be marketable.

Sir Charles Court: What of it?

Mr. GRAHAM: From the same production of langbeinite there would be a production of 2,500,000 to 3,000,000 tons of salt without waiting for the 10 years when 1,000,000 tons of potash would produce 80,000,000 tons of salt, which is far in excess of the requirements of the entire world; and this from one single proposal at Carnarvon. This is the situation with which this Government was confronted.

Sir Charles Court: You cannot read an agreement.

Mr. GRAHAM: It is little wonder all the salt producers were in a state of panic and concern in connection with this matter; it is little wonder the Leader of the Opposition is seeking to take advantage of the position—as he is entitled to do—connected with the several other producers. He is endeavouring to stir them into some action and is pointing out the situation in which the Government has found itself, because if it moved in the direction of suppressing Texada the Government would be embarrassed because of

you, Sir, being the member for the district; and if this step were not taken there would be embarrassment in the Pilbara which would affect my colleague, the Minister for Housing, who happens to be the member for that area. Accordingly, whatever decision was made by the Government it would be at some political disadvantage.

Sir Charles Court: That is not so.

Mr. GRAHAM: That is part and parcel of the role of the Opposition—to have some political support—but when it is occupying the seat on the Government side and some of its members have the honour of being Ministers, it is necessary to have a look at the overall situation.

We were confronted with the situation that there are some 250 employees of this concern in the Carnarvon region. Numerous houses are occupied by these people. The N.A.S.A. project is in the process of running down. The company has spent and is in the process of spending the best part of $20,000,000 to establish an industry which will produce a fertiliser and from which there will be a spin-off of salt production; but because there is a lower extraction of pure salt or industrial salt there will be far less of that accumulating. So instead of tens of millions of tons of salt which are not required by the world, a far smaller quantity will be produced.

The amount of salt sold by all the companies from Western Australia last year was 2,500,000 tons in total. Here we have a proposition whereby the company would be virtually obliged to produce some 80,000,000 tons of salt a year, which would mean far in excess of the entire world's requirements coming from one source. No wonder there was alarm and concern amongst these companies.

In addition, the Government which is now the ex-Government was in the process of talks with another company at Exmouth in regard to establishing yet another salt producer in the State of Western Australia, but whatever it produced would have been insignificant compared with the mighty output of salt from the works at Carnarvon had it proceeded by way of producing potash. It would have meant closing the town of Carnarvon and closing down this new fertiliser works had we insisted upon a situation whereby everybody, including the Government, would be embarrassed on account of the tremendous volumes of salt that were being produced.

The Texada company came to the department, and to me as the Minister. It maintained that langbeinite was a form of potash. Unfortunately, it appears that in certain parts of the world that is the accepted description of it. It is true that the interpretation in Western Australia is that langbeinite does not come within the definition of potash contained in the agreement. It was stated, nevertheless, that if the matter went to court there could be doubts as to whether the Government would succeed.

In effecting this amendment it was intended that there would be at the same time a measure of control over the industry. I was waiting for an interjection to the effect that there was already control over the industry; and for the benefit of the House, and also to keep the record straight, I think I had better give some particulars about the permission which was granted by the previous Government to Texada in the matter of the export of salt.

I point out that this Bill proposes to limit the export of salt to 1,750,000 tons per annum for a period ending the 31st March, 1975.

Sir Charles Court: What about beyond that?

Mr. GRAHAM: We find that the previous Government, or the then Minister for Industrial Development, gave Texada permission to export the following quantities of salt—

	Tons
1971	1,850,000
1972	2,000,000
1973	2,050,000
1974	1,750,000
1975	1,800,000
1976	1,850,000

Sir Charles Court: They were maximum quantities.

Mr. GRAHAM: Permission was granted to that company to produce and export to Japan those quantities of salt.

Sir Charles Court: On certain conditions.

Mr. GRAHAM: It will be seen that in one case the quantity was the 1,750,000 tons proposed in the amended agreement, but in the other five years the amount exceeds that provided in this agreement. The permission granted did not refer to a period before the other salt producers came into operation; it applies now—this year, 2,050,000 tons; next year, 1,750,000 tons; the year after that, 1,800,000 tons; and the year after that, 1,850,000 tons. Therefore, if the other companies are at the present moment suffering some economic inconvenience, it is caused as a result of the deliberate action of my predecessor in granting Texada authority to produce up to those quantities.

Sir Charles Court: You are not telling the full story.

Mr. GRAHAM: If there is any doubt about it, I can quote the exact prices, the Japanese firms to which the salt would be supplied, the dates over which the orders would apply, and all other relevant particulars. It is therefore completely wrong to suggest that something untoward

is being done by this Government. A situation was created by the previous Minister and the previous Government, and we have this in our lap at the present moment.

I venture to say no Government, irrespective of what its thoughts might be about the various salt undertakings, would be prepared to inflict the death sentence on Carnarvon by agreeing that this industry should close up, which would mean between 250 and 300 people losing their jobs, on top of the winding down of the N.A.S.A. station.

Sir Charles Court: You are cutting down on their commitment—not making Carnarvon safer.

Mr. GRAHAM: On the contrary, I have already indicated this will save the salt industry. The capital investment is almost exactly the same—if anything, a little greater.

Sir Charles Court: It is not, when you get down to capacity.

Mr. GRAHAM: The number of persons employed will be approximately the same. There will be a viable industry and control over its activities.

Sir Charles Court: Are you going to tell us about the markets you have identified? Are you going to answer our questions?

Mr. GRAHAM: Many comments were made from the other side of the House. I thought I was dealing with them.

Sir Charles Court: You have not touched on them yet. We want to know where are the markets in Australia and overseas which will be viable.

Mr. GRAHAM: I will quote from a lengthy memo submitted to me in reply to questions. The principal markets anticipated by the company are Japan, New Zealand, and the eastern seaboard of the U.S.A. In connection with the last named there is a letter dated the 2nd November 1972, on file. It is addressed to Texada Mines by H. J. Baker & Bro., and it reads—

> Referring to our conversations regarding your expected production of agricultural grade agglomerated langbeinite which is expected to test 21/22% K_2O and 18% MgO on a dry basis to be produced in Western Australia, our investigations indicate a ready market for approximately 25,000 tons per year, with the expectation of expanding it up to 50,000 tons per annum in a short time.

This is a firm commitment.

Sir Charles Court: That will not get them far.

Mr. GRAHAM: It seems the Leader of the Opposition is so bitter about this matter that he is hoping against hope the company will be unable to find markets. He virtually sneers when I provide information with regard to a specific market.

Sir Charles Court: You are putting that as being a firm order. It is not. It is an indication of a market, which is entirely different.

Mr. GRAHAM: I would guess that Mr. Christensen is a very competent businessman who would be hardly likely to engage in capital expenditure totalling some $20,000,000 merely for the sport of it; nor would he be likely to agree to conditions that had been imposed under the agreement, which, of course, has been signed. There were two agreements—one dated the 14th November last and the other dated the 15th November last.

The one dated the 14th November was signed immediately. This was necessary because tenders had been called by Texada for the supply and installation of buildings and equipment, and unless the company were in a position to accept a tender immediately those tenders would become useless, and in addition the company would have found it impossible to meet its commitments on a timetable basis. Therefore, the Government approved—as it has authority to approve, and this was done on the advice of the Crown Law Department—extending the definition of "potash" to include the product langbeinite, which was mentioned specifically, and other evaporites.

This is not to say—and it has not been suggested anywhere—the company cannot or may not in the future produce potash or any other evaporite, whether for fertiliser or other purposes. But we have ensured that an industry will not fold up before it commences and that there will be a measure of control thereafter. That is to say, all the bitterns—the liquid residue after the salt has deposited—will be utilised as far as practicable, and there will be no extensions of the operation without reference to the Minister of the day.

Meanwhile, until the 31st March, 1975, the maximum the company will be able to produce and export is 1,750,000 tons a year, which is less than the quantity agreed to by my predecessor for a number of years ahead, apparently without any regard—certainly no practical regard—for the circumstances of Dampier Salt, Leslie Salt, the Shark Bay enterprise, the enterprise at Lake Lefroy, and so on.

Sir Charles Court: Yes, it was.

Mr. GRAHAM: They are the companies concerned, and I have quite a file—a personal one, incidentally—in addition to the official papers that appear on the departmental file.

I repeat that there was virtually no alternative but for the Government to take some steps, after close examination by competent officers—who, by and large, are the identical officers who carried out investigations and submitted advice to my predecessor in office.

Sir Charles Court: Are you suggesting they were wrong the first time but right the second time, if they are the same advisers?

Mr. GRAHAM: Therefore, if there is any logic in what the Leader of the Opposition is saying, why is he so testy about the advice now given to the Government, when the advice of those officers was accepted by him a few years ago?

Sir Charles Court: I know the circumstances of your negotiations and the people with whom you were dealing. The moment of control was when you were going to give the decision about langbeinite, and that is where the mistake was made. The member for South Perth is quite correct when he says you have reduced the processing commitments of the company in terms of both money and volume.

Mr. GRAHAM: Mr. Speaker, I admit nothing of the sort.

Sir Charles Court: I didn't expect you to.

Mr. GRAHAM: First of all, taking the positive side, we have amongst other things made an industry possible instead of strangling it at birth; and, secondly, we have saved not only the Western Australian salt-producing industry, but one might say the world-wide salt-producing industry.

Sir Charles Court: Nonsense. This is nothing different from the circumstances when we were there.

Mr. GRAHAM: I am sick to death of the Leader of the Opposition uttering this word "nonsense" and the rest of it. I have already pointed out that it is in the agreement and may be read on page 20. It is stated that the company shall—not might—progressively increase the capacity of its plant and other necessary works until by the end of the eighth year after the commencement date it shall be capable of producing and loading into ships in a form suitable for sale not less than 1,000,000 tons of evaporites—including potash—per annum.

Sir Charles Court: Go back and read the definitions.

Mr. GRAHAM: If there happens to be potash, as insisted upon by the member for South Perth, based on the calculations of engineers and chemists in my department, it would mean the production of something in excess of 80,000,000 tons of industrial salt; and Western Australia last year—

Sir Charles Court: That is nonsensical.

Mr. GRAHAM: —exported a total of only 2,400,000 tons. Therefore, I repeat it is unfortunate that the Leader of the Opposition happened to be the Minister at the time because obviously he was completely unaware of the impact of the provision of potash.

I again refer to *Hansard* where a few minutes apart on two occasions the Leader of the Opposition made that statement on the 24th August, 1967. In both cases his words may be found on page 581 of *Hansard*. I quote—

> As a result, in obtaining a production of about 200,000 tons of potash for export per year, the company will handle something like 3,000,000 tons of salt annually. That will be stockpiled in the early stages, but I will mention that again in a few moments.

I repeat that the production of 200,000 tons of potash would result in 16,000,000 to 18,000,000 tons of salt, not 3,000,000 tons as stated by the Leader of the Opposition.

Sir Charles Court: What of it?

Mr. GRAHAM: What of it! I wonder what the colleagues of the Leader of the Opposition, with whom he has been so friendly—and there is nothing wrong with that—particularly over recent months, will say when they hear those words. It is my intention now to see that they get the words uttered by the Leader of the Opposition. What of it if Texada produced something like 16,000,000 to 18,000,000 tons of salt a year virtually under compulsion under the agreement piloted through Parliament by the then Minister for Industrial Development! I say that is a completely fantastic remark and I can assure him that the officers of the department did not feel particularly happy that that situation was allowed to develop. There was no concept of the impact this would have.

Sir Charles Court: Of course there was. Don't talk rubbish.

Mr. GRAHAM: So, having said that, I return to the point that this is a situation that is not of the making of the present Government; it is a situation with which we were confronted, and one about which we had to to something. Carnarvon was to be killed stone dead; or if there was an insistence upon, or a capacity of, the company to produce potash of the dimensions set out in the agreement, there would be a layer of salt inches thick covering the whole of the civilised and, indeed, the uncivilised, globe. The Government has shaped up to the matter by making it possible for an industry to be established. The promoters are confident that they can succeed.

In any event, they will have spent approximately $20,000,000 and will be employing about 300 people in that area. They will be producing salt, but in far lesser quantities than previously envisaged. There will be a measure of control not only for a couple of years, but for a longer period in connection with their future

operations; and I cannot see what is wrong with that. In other words, however untidy the arrangement may appear in the eyes of the Leader of the Opposition, it is at least a vast improvement; and for the life of me I am unaware of any practical approach to the problem other than that which we undertook over very many months from March, 1971—within a matter of days, almost, of the change of Government—to the middle of November last year. I refer to the intensive investigation, research, inquiry, discussions, and negotiations between competent officers of the Department of Development and Decentralisation and representatives of the Texada company.

I feel I have nothing to apoligise for. This does make a real and substantial industry in a decentralised location. It makes that industry a reality instead of a dream or a shambles, depending upon which way it turned out. But, unfortunately, in addition to being a shambles in its own area, if the industry did succeed under the original agreement of course it would create a complete and utter shambles as far as salt producers are concerned in other parts of this State ranging from our northern coast to the southern coast in the vicinity of Widgiemooltha.

In my final words I repeat that both agreements have already been signed by the company and by the Government. The first one was signed on account of the urgency of the situation and the necessity for the company to live up to its commitments under the timetabling of the agreement, and with the extension of time which was granted to it owing to particular circumstances which came within the definition of *force majeure*. The other agreement, which is a controlling one, was negotiated in the terms of what we have always advocated; that it should come to Parliament for ratification. So one was signed by the company and the Government on the 14th November, 1972, and the other on the 15th November, 1972; and it is the latter which is embodied in the Bill we are considering at present.

Sir Charles Court: Before you sit down, would you answer the questions I put to you? I refer to the proposition of the potassium content. You have got all worked up on a wrong premise. The potassium content in the langbeinite project should be made comparable and salt sales should be tied by formula to the potassium sales in future years.

Mr. GRAHAM: The Leader of the Opposition apparently is suggesting that there should be a requirement that some figure higher than 200,000 tons of langbeinite should be produced as a minimum.

Sir Charles Court: About 500,000 tons.

Mr. GRAHAM In other words, twice as much.

Sir Charles Court: Yes, comparable potassium content.

Mr. GRAHAM: So that instead of 3,000,000 tons of salt being produced, 7,000,000 or 8,000,000 tons would be produced; and one could imagine the impact that would have on the market.

Sir Charles Court: There would be 10,000,000 tons, but it would not be sold as salt. It was never intended in the original agreement that salt production was to be sold.

Mr. GRAHAM: The further we go the more absurd the situation becomes. One cannot envisage for one moment—certainly not Mr. Christensen, who is a smart businessman—

Sir Charles Court: He knew he would not be able to export all of his salt.

Mr. GRAHAM: As a matter of fact, the Leader of the Opposition without official advisers is like a fish out of water.

Sir Charles Court: No I am not; my memory is pretty good for these things.

Mr. GRAHAM: In point of fact when the Leader of the Opposition was the Minister he was giving all sorts of briefs to the company allowing it to go to all sorts of colossal figures, but I do not think it reached the figures in any year.

Sir Charles Court: That is the very point I was trying to make.

Mr. GRAHAM: The very point I am making is that because the other companies are in business and looking for markets, Texada has this commission to sell vast quantities of salt without any potash requirement; and this is being done to the detriment of the other companies —a situation created by the previous Minister by allowing Texada to produce such a vast quantity.

Sir Charles Court: They were contract rights with conditions. You should have mentioned that there were conditions.

Mr. GRAHAM: There will be an opportunity presently—and no doubt the Leader of the Opposition will avail himself of it —for the honourable member to tell me that instead of these special concessions —vast tonnages approved for sale by Texada—which he gave to cover all the years from 1971 to 1976, conditions which I have been unable to find were imposed. The Leader of the Opposition will have an opportunity to explain that in Committee.

Sir Charles Court: You will just not let us look at the files so that we can show you.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (Mr. Bateman) in the Chair; Mr. Graham (Minister for Development and Decentralisation) in charge of the Bill.

Clause 1: Short title and citation—

Sir CHARLES COURT: I seek your guidance, Mr. Chairman, in view of the fact that we are confronted with an unusual situation. The unratified schedule is only a small piece of paper which refers to amendments, additions, and deletions which must be made to the parent agreement. It is a question of where best to discuss the points I wish to raise. Would it be best to deal with them on clause 2, which deals with what is now the first schedule—in other words, the original agreement—and also the variation of the agreement; or would it be better to deal with them on clause 1, which covers the new Act and refers to the original agreement? It appears to me that clause 2 would be better.

The CHAIRMAN: Yes, clause 2 or clause 5.

Clause put and passed.

Clause 2: Section 2 amended—

Sir CHARLES COURT: If I am within Standing Orders, Sir, I wish to refer to the amendments covered by the new second schedule in relation to the original agreement, which now becomes the first schedule. The Minister for Development and Decentralisation, as is his custom, worked himself up into a frenzy. I tried in a temperate fashion to explain the background of the agreement frankly, honestly, and correctly; and if any one of his officers says my comments are wrong he is not telling the truth. The Minister can tell him so from me.

I was trying to keep the matter in its proper perspective in order to help the Minister. The last thing we want is to see anything done to the detriment of Carnarvon, because the reason we fought so hard to get this based on potash was for the benefit of Carnarvon. As a salt industry it was not worth much to Carnarvon; it was the potash which was of tremendous value.

With regard to the agreement as it is proposed to be amended, the Minister spoke about the project being "contemplated". Of course it was contemplated. If he reads the agreement properly he will find there was a research phase, and unless it was undertaken successfully there could be no phase 2. Likewise, there was a first programme and a second programme where one gets into the more advanced stages of the project.

Mr. J. T. Tonkin: Does not "contemplated" mean "thought about"?

Sir CHARLES COURT: Of course, during the research stage, because there can be nothing else.

Mr. J. T. Tonkin: Oh yes there can be.

Sir CHARLES COURT: There can be nothing else during the research stage or there would be no need for the research.

Point of Order

Mr. HARTREY: On a point of order, do the remarks of the Leader of the Opposition have any connection with what we are now discussing in Committee?

Mr. Jamieson: I don't think so.

The CHAIRMAN: I consider they do at present. There is no point of order.

Committee Resumed

Sir CHARLES COURT: Thank you, Mr. Chairman.

Mr. O'Neil: The gag again.

Sir CHARLES COURT: If there is any suggestion of the gag being imposed, there are certain steps we can adopt to take a long time over this; but I am making the point, in answering and explaining to the Minister, that we were trying to put a proposition to him, which is relevant to the second schedule now proposed, under which he could achieve the best of two worlds. He could not only exercise a degree of control so far as salt was concerned, but he could also obtain a much bigger industry for Carnarvon which was the idea in the original concept. Do not forget that it was our concept to try to get an industry for Carnarvon, but the way the Minister talks anyone would believe he was the one who thought of it and that he was the great saviour of Carnarvon.

Mr. Graham: Assuming potash cannot be produced, what then? You want the whole industry to fold up?

Sir CHARLES COURT: Under the original concept there would have been no industry without potash. By talking rapidly and loudly the Minister is trying to push some blame onto the Opposition, but we do not accept it because the moment of control was the moment the Government entered into the agreement about langbeinite. The Minister was then in a position to write in almost any condition.

Mr. Graham: Of course, and have no industry.

Sir CHARLES COURT: The Minister could have negotiated the conditions.

Mr. Graham: Don't you think they were negotiated? They were negotiated over a period of 18 months.

Sir CHARLES COURT: I do not blame the company for getting away with only two-fifths of its commitment, because that is good business. That is why the member for South Perth was right.

Mr. Graham: It is not two-fifths. There is a greater capital outlay than you provided for—almost 50 per cent. more.

Sir CHARLES COURT: Although the Minister has not much longer in which to do so, he must learn—this side of Christmas I hope—that it is the capacity commitment which counts when writing agreements—not the money figure. The money figure is very deceptive. With inflation, it can become completely meaningless.

Mr. Graham: What about the number of people employed in the area? Don't you care about that?

Sir CHARLES COURT: That is related to capacity and not money; and the Minister will have to learn that. He certainly has not learnt it yet.

Mr. Graham: The population and welfare of Carnarvon means something, too.

Sir CHARLES COURT: That is the point we are trying to make. Under our proposition three times the number would be employed.

Mr. Graham: You would like to see the industry fold up because you would regard that as a victory.

Sir CHARLES COURT: We have aspirations in Carnarvon too—

Mr. Taylor: Yes, electoral.

Sir CHARLES COURT: —and we want the industry to prosper.

Mr. Graham: That is what we are trying to ensure, and because of our decision the company got on with the job immediately.

Sir CHARLES COURT: Without giving any thought, but only abuse, to our proposition the Minister has just brushed it aside, but if he calms down tomorrow and studies it he will see the proposition has some merit. If he goes to the company and indicates that he is having trouble with the Opposition, because we are not complete dills and know a bit about the background of the negotiations—

Mr. Graham: You have forgotten a lot of it too.

Sir CHARLES COURT: No.

Mr. Graham: You opened the floodgates to these people and you know it, because the facts are against you.

Sir CHARLES COURT: Do not let us get the salt situation out of its perspective. A lot of the salt would be unsold.

Mr. Graham: You gave the company authority to sell, and that is why salt producers are in dire straits today—because of your action.

Sir CHARLES COURT: The Minister condemns himself out of his own mouth.

Mr. Graham: I could not do anything about it. It was too late. You were the Minister a bit too long.

Sir CHARLES COURT: We did save Carnarvon's industry.

Mr. Graham: Oh no you didn't.

Sir CHARLES COURT: Well it is still there.

Mr. Graham: Yes!

Sir CHARLES COURT: The Minister said it will now go into langbeinite.

Mr. Graham: If we had not agreed to this all the millions of dollars worth of operations would not be taking place.

Sir CHARLES COURT: In the brief time I have left I will conclude on the particular point I am trying to get across to the Minister; that is, that under our scheme, if he negotiated with the company and got a comparable degree of potassium production he would have three times the work force and a much more suitable industry.

Mr. Graham: Not three times.

Sir CHARLES COURT: He would also have control of the salt. I will give him one piece of information which might help him tomorrow when he is calmer and is considering the matter. The agreement refers to the 1,000,000 tons a year which the Minister kept quoting. If he reads the agreement carefully he will see that it refers to evaporites, including potash. This is the key to the proportion of salt and potash to be exported by the company when it is in production. In the meantime, as it was entitled to and should have, the Government was prepared to be realistic and helped get a cash flow from salt exports during a critical period. Eventually, however, it comes back to potash and that 1,000,000 tons indicates that the salt export approval is not the final word. To say that there could be 1,000,000 tons of potash and 80,000,000 tons of salt a year is plain crazy.

I come back to the point that I do hope the Minister will, when the Bill is through the Chamber, contact the company and ask it to consider the proposition of tying the potassium to potassium values and also in due course the salt export to the actual production of potassium; otherwise we will have a situation of plant being installed as a premium to get access to cheaper salt, and that would be a disaster to Carnarvon. That is a disaster against which we are trying to protect Carnarvon.

I leave that point with the Minister who has not answered the question in respect of the situation of salt after 1975, now he has approved of the langbeinite proposals. While approving of this the Minister has strength in negotiations. Once he has given approval he must wait for the next phase but it is not foreshadowed in the proposition he has submitted to us.

We want the industry to succeed. We have conceded that if langbeinite is the thing the company can sell and make the easiest, okay, as long as it produces the equivalent potassium volume; and therefore the tonnages must be altered. I am

not the least bit worried about the fact that the company has mountains of salt. They are not intended for sale and never were. Some, yes.

Mr. O'Neil: It was meant to be a by-product.

Sir CHARLES COURT: Yes; and Mr. Christensen knows that only too well. If he had been dealing with me and not the present Minister, he would be talking in these terms.

Mr. GRAHAM: If the company were dealing with the ex-Minister instead of the present one, I can visualise there would be a compounding of the trouble which this Government has inherited.

Sir Charles Court: No; there would be a solution.

Mr. GRAHAM: It is not to be suggested for one moment, surely, that Texada would produce these mountains of salt to remain as mountains to the north of Carnarvon. Of course not. Texada would do the very thing it is accused of; namely, sell the salt to markets overseas, thus destroying the established price and having a ruinous effect upon the other salt producers whose exercise is, by and large, 100 per cent. production of salt and nothing else, although one or two of them are going into sidelines with which we need not deal now.

I repeat that this was a source of worry which hit me as a legacy from the old Government within a matter of days of my going into my office.

Sir Charles Court: Only because you took a weak line on it when you approved of langbeinite.

Mr. GRAHAM: It is no good the Leader of the Opposition using ridiculous and extravagant words. We became the Government on the 3rd March, 1971, and exactly the same officers were in the department, and in respect of a subject of which I had very little knowledge at the time the advisers and officers—many of them appointed by my predecessor—came to me with this proposition and pointed out that there was no alternative on account of the situation which had been created, not wittingly, but unwittingly no doubt, as a result of a lack of full and sufficient information.

So for a period of some 18 months from then, after acknowledging the facts of life, these responsible, top-ranking public servants negotiated with the company taking into account all the circumstances. This agreement is one which, having regard for the situation with which we were confronted, results in saving certain situations, one of them being the town and economic welfare of Carnarvon. The other is the saving of these other salt producers instead of their being confronted consistently with the threat of millions of tons of salt lying about.

Is it thinkable for one moment that that salt would be allowed to remain there after all the money spent on its processing? Of course not. It would be sold at any price and then the whole price structure would be destroyed.

Sir Charles Court: It could not be sold.

Mr. GRAHAM: All of it could not be sold because the world could not absorb that quantity.

Sir Charles Court: That was always understood.

Mr. GRAHAM: However, so much would be sold that there would be no room whatever for the other producers. I said that an error in calculation was made.

Sir Charles Court: No.

Mr. GRAHAM: I think I said it was not wittingly done. The Leader of the Opposition should quietly acknowledge that a grave error was made—

Sir Charles Court: No, not at all.

Mr. GRAHAM: —which was inherited by this Government which had to do something about it. If I have not up to date convinced the Leader of the Opposition—not with figures drawn from the air or with imagination, but from submissions made by those who were his own officers two short years ago, which submissions have been analysed by me as the responsible Minister and subsequently by my colleagues in Cabinet—I do not suppose I ever will.

Sir Charles Court: You have let the company completely mesmerise you.

Mr. GRAHAM: The amended agreement is very good indeed and I hope and trust it will not encounter party political play because this is a serious matter indeed. In certain respects the company had some misgivings knowing full well that whilst we are supposed to be a democracy, in point of fact the Government does not govern because it is beholden to another place.

Sir Charles Court: Here we go again.

Mr. GRAHAM: This agreement must be dealt with having regard for its background. I say that the industry has been saved, but we do have some safeguards while at the same time the salt producers —if I might call Texada that for the time being—will be able to live.

An attempt on my part was made to call the producers together to gain some sort of rationalisation, and each one spoke up loudly and confidently, but a week or two afterwards realised that although they had been fooling one another they had not been fooling me because they were in difficulties. It is only in the last few weeks that I have been informed that all the salt producers, with one exception, which does not happen to be Texada, have had some

meaningful talks and are confident that some form of rationalisation will result. I trust this will be so, but because of the action of the Government the impact of Texada will be far less than it otherwise would have been.

Mr. GRAYDEN: The attitude of the Deputy Premier perturbs me because he is completely overlooking the fact that Texada went to Lake MacLeod for a specific purpose, which was not to produce salt but to produce potash.

Mr. J. T. Tonkin: How could it produce potash without producing salt?

Mr. GRAYDEN: The salt was to be a by-product.

Mr. Graham: The volume of salt is many times greater than that of potash.

Mr. GRAYDEN: Nevertheless it was intended that it be a by-product. Why else does the Deputy Premier believe the company was granted such a huge concession —900 square miles?

Mr. Graham: What is the problem we must solve? Is it not a surplus of salt?

Sir Charles Court: No; to produce potash.

Mr. GRAYDEN: When he introduced the Bill in 1967 the then Minister said—

> In the case of the Leslie Salt Company at Port Hedland, later on it will develop a chemical industry for the purpose of processing the bitterns instead of their being poured off into the sea, but this is a major chemical operation. With the Lake MacLeod industry the reverse is the case. During the course of its operations the company has to stockpile the salt to free the potash for export. As a result, in obtaining a production of about 200,000 tons of potash for export per year, the company will handle something like 3,000,000 tons of salt annually. That will be stockpiled in the early stages, but I will mention that again in a few moments.

The Minister, who introduced the Bill, made that statement on the 24th August, 1967.

Mr. Graham: It was completely wrong.

Mr. GRAYDEN: The Minister went on to emphasise that the whole object of the exercise was to stockpile 3,000,000 tons of salt to produce 200,000 tons of potash. The company gained the concession on that basis. The company did not suddenly decide to go to Lake MacLeod, but first carried out an exhaustive feasibility study.

I again quote from the 1967 *Hansard* from the speech of the Minister who introduced the Bill. He said—

> During the course of its study of the lake, Texada drilled 13 holes. This work disclosed that the lake bed consists almost entirely of gypsum with a core of rock salt in the central part. The total depth of the evaporites in the centre is at least 25 feet. From the information obtained by drilling it is estimated there are approximately 2,000,000,000 tons of common salt in the bed of Lake MacLeod. This quantity of salt could have been produced by evaporating 60,000,000,000 tons of sea water leaving the bittern containing approximately 70,000,000 tons of potassium chloride equivalent in solution.

The CHAIRMAN: I hope the honourable member does not intend to read for too long.

Mr. GRAYDEN: No, I will not. I wish to read only one small section which is relevant. This is—

> Part of the study by the company involved the digging of a four-mile long collection ditch, which has been pump-tested with satisfactory results.

The significant point is that the four-mile long collection ditch had been pump-tested with satisfactory results.

All this illustrates that the company did not go into the project lightly. It carried out an exhaustive feasibility study over a long period and went into the project on the understanding that it would produce potash and stockpile salt.

If we are to accept the reasoning of the Deputy Premier, I believe the Government will be a sucker for every individual who wants to enter into a shonky deal. Let us imagine the consequences. A group such as Texada could come back to the State at this time. The Deputy Premier has given the company an indication of the way he thinks on subjects of this kind. The company could say, "Let us tell him a cock-and-bull story and let us make it impressive. He will grant concessions on that basis but later we will come back and say that our original feasibility study was wrong. Therefore, we cannot go ahead on the basis of the conditions imposed on us. Under those circumstances we will be left with the concessions but with no obligations."

What a position! Originally the company went to Lake MacLeod with a particular object in mind—to produce potash —and was granted huge concessions on that basis. Years later, after entering the salt market on a gigantic scale, it has come back and said, "We cannot go on with our original intentions but we want to produce something else." It is remarkable that the Minister should agree to a new proposition under those circumstances. We have now heard from the company that langbeinite is saleable overseas on the eastern seaboard of the United States, in Japan, and in New Zealand. Surely statements of that kind come into the

category of the statements made by the company before it was granted the concessions. Everything it said to enable it to gain the concessions has been proved to be false.

Are we now to accept the statement of the Deputy Premier that the company has these markets? Is there anything to stop the company from building the plant and putting it in mothballs? Let us look once again at the fantastic salt deposits. Does it mean that the company can produce salt? I ask the Committee not to forget that there are 2,000,000,000 tons of common salt in Lake MacLeod.

Under those circumstances, surely it would be worth while for the company to install a $6,000,000 plant, not with the object of producing langbeinite, but with the object of putting it into mothballs. It would know that it could produce 2,000,000,000 tons of salt and flood the world markets. If the Minister does not look beyond the period of the few years which he has provided for, all sorts of things will happen to the salt producers of Western Australia and of the rest of the world. I hope this is taken into consideration when the information, which the Deputy Premier says he will supply salt producers, is weighed up.

Clause put and passed.

Clauses 3 and 4 put and passed.

Clause 5: Second Schedule added—

Sir CHARLES COURT: I assume this is the schedule?

The CHAIRMAN: Yes, that is right.

Sir CHARLES COURT: The Minister has come to the brink of answering one question on occasions but has always skidded onto something else or has forgotten it. I refer to clause 4 (4) (k) which seeks to control the sale of industrial salt up to the year 1975. In one part of the Minister's speech he said that from now onwards he would have control but he did not say how he would have control over the export of salt beyond 1975.

As I understand it, once the Minister has approved the langbeinite proposition under the amended agreement, this becomes absolute until 1975 but there is no provision for the control of salt beyond 1975. In other words, the Minister has opted out by being specific in paragraph (k).

Can the Minister please give us the reasons for believing he will have control of salt exports beyond this point? If not, how does he propose to handle them? If this project is successful there will be large accumulations of salt.

Mr. GRAHAM: I point out that the Leader of the Opposition, when Minister, agreed to the year, 1975, in connection with the sale of a greater volume of salt than is provided for in this agreement.

Sir Charles Court: On certain conditions and for a good reason.

Mr. GRAHAM: He agreed even beyond that to the year, 1976.

Sir Charles Court: That is right.

Mr. GRAHAM: The controls proposed to be exercised are set out. For instance, it is stated in clause 4 (1) that the company shall not substantially modify, extend, or otherwise substantially vary its activities, etc., without the approval of the Minister. In clause 4 (4) there is a requirement for the company, as far as is practicable, fully to utilise in the production of potash and/or other evaporites all of the bitterns or the brine. In other words, it cannot be pumped out into the ocean as I think is being done by one of the companies. Neither can it be left to one side. Consequently there is a requirement on the company to use that. In addition, clause 4 (4) (j) provides that the company shall furnish quarterly reports to the Minister concerning the utilisation of the brine. Paragraph (k) sets out a specific limitation on the volume of salt that can be sold. Regardless of the quantity of salt the company produces in the future, it will be necessary to use all the bitterns or the brine.

As far as I know there is very little alteration to potash, langbeinite, or some such substance. I do not think we should be carried away completely and foolishly with the word "potash". It is true that it is used in the agreement. As time goes on, it will be seen that the company can get further and further away from potash into bigger ventures, at the same time producing mountains of salt.

Surely the important thing is that a saleable fertiliser—and that is also a consideration because there is an escape clause in respect of it—shall be produced in that area. A meaningful industry will be established in the area which shall provide gainful employment for very many people. All of this is being maintained under the amended agreement.

It is a good agreement, having regard for the circumstances which I have outlined several times. Previously there was an error of judgment, or lack of knowledge or research, whatever it may have been. To be accurate, only 18 days after being sworn in as Minister, I took action.

Sir Charles Court: That is where you made a mistake.

Mr. GRAHAM: The present Government was faced with a situation. I do not have the earlier files but there has been a tremendous amount of negotiation on this subject. In the same spirit as that adopted by the Leader of the Opposition, I wonder whether it was perhaps on his plate and was a little too difficult with the elections being so near.

Sir Charles Court: We were being tougher than you.

Mr. GRAHAM: I do not see how the situation could have developed in 18 days. In any event, action was taken immediately and, fortunately, the industry has been saved. Other salt producers have likewise been saved.

Sir Charles Court: Not under your agreement.

Mr. GRAHAM: Surely this is something.

Sir CHARLES COURT: The Minister tried to run around the question but he still has not answered it.

Mr. J. T. Tonkin: I think he has dealt with it effectively.

Sir CHARLES COURT: If words and talking around the question mean anything, the Minister has done well. If it is a question of answering a specific point, he has not touched on it.

If the Minister rereads clause 4(4)(i) he will find that it does not mean what he said.

Mr. J. T. Tonkin: Give us your version of it.

Sir CHARLES COURT: It means that the company will produce the evaporites out of the brine and the bitterns, as far as is practicable, within the terms of the agreement and proposals that have now been negotiated with the Minister. It does not mean to say that the company will necessarily take out more and more potassium from the brine because it is limited by its commitment to the Government. The company has only to be as efficient as is practicable and within the quantities of the approved proposals.

Mr. J. T. Tonkin: I would like to know how anybody at all can take more than is practicable.

Sir CHARLES COURT: I suggest that the Premier—

Mr. J. T. Tonkin: What about answering that?

Sir CHARLES COURT: —should look at clause 4(4)(i) which reads—

> (i) in respect of potash produced pursuant to this Agreement, ensure that the potassium content of the brine and evaporites produced in on or under the land the subject of the mineral lease is, as far as is practicable, fully utilised in the production of potash and/or other evaporites in accordance with its approved proposals;

Mr. Graham: Yes.

Sir CHARLES COURT: This fixes a limit on the amount of potassium the company has to produce by a langbeinite route, which has only a two-fifth potassium value of the original potash product provided for in the original agreement.

Mr. Graham: It provides no limit whatsoever, and the Leader of the Opposition knows that.

Sir CHARLES COURT: It does. The agreement provides a commitment for 200,000 tons.

Mr. Graham: That is a minimum. There was never a limit.

Sir CHARLES COURT: Of course there is no limit.

Mr. J. T. Tonkin: You say one thing one minute and a different thing another.

Sir CHARLES COURT: The Premier knows that the minimum becomes the maximum for legal commitment purposes. The Minister is trying to convey that the company must use the brine to produce the maximum potash it is capable of producing. If he knows the chemistry of the lake, it is theoretically capable of producing a fantastic amount of potash.

Mr. Graham: It is going to produce 200,000 or 1,000,000 tons. That has not been interfered with.

Sir CHARLES COURT: The Minister still has not dealt with my query. He has dealt with the two previous subclauses, but not the one to which I am referring. How does the Minister propose to control the sale of salt after 1975? According to my understanding of the agreement it is absolute to 1975. After that it is free. It is no longer at a figure laid down by the Minister. I am asking the Minister: Does he have a device in mind to control the sale from then on?

Mr. GRAHAM: I can only explain it. I cannot make the Leader of the Opposition understand it.

Sir Charles Court: We just want to know.

Mr. GRAHAM: The company is under the requirement to use the whole of the brine. After it has produced salt it must use the whole of the brine.

Sir Charles Court: Only in accordance with the approved proposals.

Mr. GRAHAM: That is so.

Sir Charles Court: It does not mean all the brine.

Mr. GRAHAM: The proposals are to produce potash, and potash means certain things.

Sir Charles Court: Including langbeinite.

Mr. GRAHAM: Including langbeinite.

Sir Charles Court: Up to a certain tonnage.

Mr. GRAHAM: No, up to a minimum tonnage of 200,000 tons.

Sir Charles Court: Call it minimum if you like.

Mr. GRAHAM: That has not been interfered with. Incidentally, under the previous Government's proposals there was an agreement to start producing 50,000 tons a year, whereas the company is now going to start producing 200,000 tons. So surely that is an advance.

Mr. O'Neil: Different material.

Sir Charles Court: Some years later, if the company had kept to its original commitment, it would have been producing more.

Mr. GRAHAM: The ex-Minister is trying to confuse the situation.

Sir Charles Court: Not at all.

Mr. GRAHAM: He knows as well as I do that some measures comply with the *force majeure* clause put in by him and all the terms and considerations in the agreement. There were two factors—

Sir Charles Court: Those questions are not under discussion at the moment.

Mr. GRAHAM: —one of which was a cyclone which had a certain impact. The other factor was industrial trouble in the United States of America. Both factors were provided for, and both were valid grounds for a postponement of the company's obligations under the agreement. Accordingly the company was granted the postponement, and it is now endeavouring to live up to every part of the timetable. Because of this the Government took urgent action to sign the agreements to enable the company to sign contracts with Bunnings within 14 days. Contracts were signed with other people in relation to Carnarvon. The Leader of the Opposition is a little disappointed that the Government was able to do something about the mess it was left with. We had an industry on the verge of setting up to produce a fertiliser—and this was the intention, to produce a fertiliser—but for certain reasons potash is not wanted at the moment. In order to preserve the industry, we allowed the production of langbeinite, and the project goes on.

Sir CHARLES COURT: The Minister has still not faced up to my question. Can he control salt exports after 1975?

Mr. Graham: I told you this.

Sir CHARLES COURT: The Minister has not answered me. We had control of the situation. In his great anxiety to rush into this in March, 1971, the Minister signed a piece of paper which weakened his position. I am not criticising his action—he was anxious to get on with the job but did not know the full background. Probably departmental officers came to him and stated the position as they saw it. He signed the piece of paper and threw away the Government's trump card.

Mr. Graham: We had to clear up a mess.

Sir CHARLES COURT: We told Mr. Christensen that we wanted the contract fulfilled.

Mr. Graham: You chickened out.

Sir CHARLES COURT: We did not chicken out. When the Minister has some performance to his credit we will listen to him. We took a stand on this matter; we were prepared to face up to the issue.

Mr. Graham: The project was crashing about you.

Sir CHARLES COURT: We made it clear to the company—

Mr. Graham: All you did was to give ever-increasing salt export contracts to Texada.

Sir CHARLES COURT: It was given salt export contracts because it was the sensible thing to do.

Mr. Graham: Right up to 1976?

Sir CHARLES COURT: If the Minister will listen to me, I will clear this up. The situation calls for a phased timetable. One thing may be phased out while the other is phased in.

Mr. Graham: You never thought of the other companies phasing in. Why are these companies crying on your shoulder at the present time? That is because of the export permission you gave Texada.

Sir CHARLES COURT: The Minister has not answered my question—no wonder he cannot get any performance. We want him to tell us how he will control the salt exports after 1975. He has given away his control point.

Mr. Graham: It is there—it is written in. You did not have any control.

Sir CHARLES COURT: It states here the limitations for 1973, 1974, and 1975. After that nothing.

Mr. GRAHAM: For the last time, specific figures are given for the years 1973, 1974, and 1975. These are at a lower level than those given by my predecessor who had no regard for the other salt producers whom he had encouraged to set up in business. Therefore until 1975 the situation is vastly improved, and from that time on, in place of a specified tonnage, it is stated that the company must use all its brine in the production of evaporites. Whether this is potash or langbeinite or some other evaporite is not laid down. The company will not be able to produce salt *ad infinitum* and do what it likes with the brine. It must use up the brine. In other words, the export of salt is tied to the use of the brine.

Sir Charles Court: No, that is not in the agreement.

Mr. GRAHAM: That is set out in black and white

Sir Charles Court: You think it is.

Mr. GRAHAM: The Crown Law Department drafted the agreement to achieve this. In my opinion it does this. I cannot satisfy the Leader of the Opposition. I suggest that he should get away from the atmosphere of the Chamber, sit down quietly, and read and digest the Bill.

Sir Charles Court: I happen to be more capable of studying these things than you based on your interpretation of subclause (4) (1).

Mr. GRAHAM: Of course, the Leader of the Opposition is more capable than anyone.

Sir Charles Court: You are fooling yourself.

Clause put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

GOVERNMENT EMPLOYEES' HOUSING ACT AMENDMENT BILL

Second Reading

Debate resumed from the 10th April.

MR. R. L. YOUNG (Wembley) [9.40 p.m.]: This is a simple measure, and at the outset I would like to inform the Premier that the Bill has the concurrence of this side of the House with the exception of a small amendment which we believe will assist it to achieve the desired end.

The parent Act of 1964 was introduced under the Brand Administration for two reasons. The first reason was to create an authority with the power to borrow on the loan market in its own name for the purpose of providing the authority with capital to build or acquire houses mainly in country areas, for housing Government employees. Prior to the promulgation of this Act, considerable concern had been expressed by members of both the Police Force and the teaching profession in regard to accommodation in country areas. I believe very few members of the House will not recall the criticisms in those days from the various unions in regard to the accommodation made available to teachers and policemen.

The second purpose of the original Act was to give the authority the power to fix rents on a prescribed basis. The Deputy Premier, who was the Deputy Leader of the Opposition at that time, contributed to the second reading debate. I will not read his comments to the House, but I would refer members to the 1964 *Hansard*, volume 3, page 2916. The then Leader of the Opposition made a suggestion that the authority should be enlarged by another member in addition to the four as prescribed under the Act. The additional member was to be a representative of the unions whose members were occupying houses under the control of the authority. So for that reason I believe this amending Bill was probably born out of the suggestion made at that time. It is obviously to the Deputy Premier's credit that his suggestion now forms the basis of the Bill.

It appears to me that the then Deputy Leader of the Opposition's contribution to the debate was a reasonably impassioned address—I realise we are not used to any other addresses from him. However, he attacked the Bill in other respects because he saw certain evils in the prescription powers it contained in regard to the rents which could be set by regulation. At page 2921 in the same volume he referred to a number of instances where senior civil servants would be occupying very expensive houses built at a high capital cost to the authority. He said that these senior civil servants would occupy these houses at a rent not much greater than that being paid for modest houses by people working at a more menial level. In looking at what has happened since the Act was passed, it seems to me that the evils which the then Deputy Leader of the Opposition saw in the Bill not only did not exist then but also do not exist now.

As evidence of this I would like to point out that the regulations prescribed under the Act were gazetted in 1966. The previous Administration had no necessity to amend the regulations in any way; nor has it been found necessary for the present Government to amend them during its two years of office.

In his second reading speech the Premier made no mention in regard to this particular aspect of prescription. So it would appear to me that the proof of the pudding is in the eating. The Act as it was introduced and as it has remained since 1964 was obviously a good one and worked well.

We agree with the principle espoused in the Bill. In the main the principal Act has worked well, but there are still some problems in country towns where, in particular, police officers and school teachers are not enjoying the type of accommodation they should be provided with, and which they deserve. However, the problems are certainly not as great in number as they were before. I shall give some details relating to that aspect later on.

The Bill sets out to achieve two objectives. The first is to appoint a representative of the tenants to the Government Employees' Housing Authority, making five members in all. The present membership comprises the Chairman of the Public Service Board, the Under-Treasurer, the Director-General of Education, and the General Manager of the State Housing Commission, or the nominee of each of those members.

The second objective of the Bill is to enable the tenants' representative to be removed if he is not representing the tenants properly. I think that is a fair enough provision in principle. As to this second part I believe a problem exists. The Minister is to be given power to do perhaps exactly the opposite of what is intended to be achieved under the Bill. I shall explain that by referring to clause 2 (b) which reads as follows—

> (b) by adding after subsection (3) a new subsection as follows—
>
> (4) A member of the Authority appointed pursuant to the provisions of paragraph (e) of subsection (2) of this section shall hold office for a period of three years from the date of his appointment, and is eligible for reappointment, unless at any time his appointment is sooner determined by the Governor on the recommendation of the Minister . . .

That provision appears to be reasonable. However, when we read the manner in which the Minister shall appoint the tenants' representative, it becomes unreasonable, because the Minister is given the power to make this appointment only after consultation with the Teachers' Union, the Police Union, and the Civil Service Association.

In the Bill as it now stands the Minister will have the power to make a recommendation to the Government that the tenants' representative be relieved of his office. For that reason I have given notice of my intention to move an amendment to that part of the Bill, to provide that the Minister may make such a recommendation to the Government only after consultation with the bodies I have mentioned.

Earlier on I referred to certain problems which still exist in some country areas, particularly in respect of housing accommodation for school teachers. I know that we will not be likely to reach the situation where officers, transferred to country towns either at their own request or through the exigencies of the department, will be housed in accordance with their wishes.

Mr. Brown: Have you any particular area in mind?

Mr. R. L. YOUNG: Yes, and I am about to make reference to them. Naturally I am unable to cover all such cases, nor am I aware of all of them. I refer to the case of a single, female teacher who lives at Jerdacuttup, which is 35 miles from Ravensthorpe. She is obliged to live at Ravensthorpe. It is only to be expected that the Government Employees' Housing Authority cannot provide a house for her at Jerdacuttup, nor would it be in the best interests of any young female teacher to live in such an isolated place. If she did she would probably have to board with a family.

Unfortunately this teacher has to travel 70 miles a day in the course of her work. I realise this really has no relationship to the Bill, but I would like it to be recorded because the Minister for Education is not present in the Chamber. Under the regulations made under the Education Act she is given a travelling allowance of only $1.50 a day, which works out at a little over 2c a mile.

In addition to this disability, by virtue of having to travel over such a long distance each day, she might not be at her brightest in carrying out her work and she would not have as much time to prepare her lessons as does a teacher in the metropolitan area. Furthermore she is out of pocket in respect of her travelling expenses for being sufficiently dedicated to teach in a remote centre. That is not fair. This is an aspect which the Minister for Education should look at, so that such anomalies may be overcome.

Mr. May: What do you think should be done?

Mr. R. L. YOUNG: In that instance the travelling allowance should be increased considerably, because 2c a mile is not sufficient.

Mr. May: Do you not think that having to travel 70 miles a day is a considerable drawback?

Mr. R. L. YOUNG: I think it is. I have already pointed out that this teacher would not be at her brightest.

Mr. May: Money will not assist her in this regard.

Mr. R. L. YOUNG: We could follow the outcome to its illogical conclusion, and suggest that the Government Employees' Housing Authority should provide accommodation at the centre. However, in view of the capital cost involved it would be out of the question, and it would not be a wise move.

Mr. May: This would not be an isolated case.

Mr. R. L. YOUNG: I am sure it is not. In his contribution to the Address-in-Reply debate the member for Kimberley referred to the case of a young male teacher at Fitzroy Crossing who faced a similar problem. He had to live in a caravan. After the power was switched off at 10.00 p.m. he found he could not use his fan to keep cool even in very hot weather. He got tired of this and left Fitzroy Crossing. That is another example of a dedicated school teacher being prepared to teach at an isolated centre; but the conditions drove him away. I believe a similar problem exists at Broome.

I have been talking only about school teachers, but police officers face similar problems. I understand from the Police Union that such problems exist at Northam, Narrogin, and Albany. At Narrogin two young police officers are about to be married, but they have almost given up hope of obtaining accommodation in that town. Obviously the Government Employees' Housing Authority will have to do something in those two cases.

When I say that the Government Employees' Housing Authority has done a good job I say so in the context that even though it has achieved a great deal in the seven years of its existence it has not solved the housing problem. We should be cognisant of the fact that to a degree public servants still suffer some hardship in this regard.

When I took part in the debate on the Acts Amendment (Road Safety and Traffic) Bill I referred to the status of police officers. I reiterate that these officers play a particularly important role in the community, especially in country areas. If such officers are not adequately or reasonably accommodated then their status in the community is not held as high as it should be.

Tremendous advances have been made in the provision of housing, but great problems still exist. I commend some local authorities for the action they have taken in joining with the authority to provide accommodation in the country. They have worked hand in hand with the authority, and wherever possible they have used their borrowing powers to raise finance for the building of houses. Where this has been done the authority has taken over the houses, and has arranged to repay the capital cost over a number of years. A good deal of this finance would be derived from the rents that are payable under the Act. As a result of such co-operation between the Government Employees' Housing Authority and local authorities, and because of the existence of the Act, today there are nowhere near the number of disgruntled, disillusioned, and disinterested teachers and police officers as there were previously.

The amendments proposed in the Bill can have no other effect than to improve the relationship between the Government Employees' Housing Authority and the tenants. If a tenants' representative is appointed to the authority he will no doubt look after the interests of the tenants. If it is a reasonable appointment I am sure he will discharge his duty well.

As a result of that co-operation and representation, the amendments set out in the Bill must be of value to the State. With those comments I support the Bill, with the reservation that I shall move some amendments in the Committee stage.

MR. E. H. M. LEWIS (Moore) [9.56 p.m.]: I, too, support the Bill in general. My mind goes back to the time of the introduction of the original Bill in 1964. In introducing the second reading of that Bill the then Premier outlined the reasons for it.

The Bill before us seeks to enlarge the representation on the authority. Although the Premier stated the intention is to give representation to the tenants—that is, the teachers, the police officers, and other civil servants—when the original Bill was passed the then Premier set out the reasons for the inclusion of the various representatives on the authority. As recorded on page 2818 of the 1964 *Hansard* the then Premier said that the Director-General of Education had been included at the express wish of the Teachers' Union which had emphasised the special problems relating to teachers.

The purpose of appointing the Director-General of Education was that he would act as the representative of the tenants, because at that time by far the greater majority of the tenants were teachers. He was accepted by the Teachers' Union as one who would represent them fairly on the authority.

I have no quarrel with a representative being nominated directly by the Teachers' Union, the police officers, and others; but in my view the Director-General of Education served no other purpose on the authority than as the representative of the tenants.

Perhaps the opportunity could be taken on this occasion to replace the Director-General of Education on the authority, as there is to be a representative of the tenants. He could be more usefully employed in the duties of his position. Already he is charged with a great deal of responsibility in carrying out the duties of his office, but in addition he also serves on many other bodies which have relationship to education, such as the Senate of the University, and in my view he has more than enough to do. I have been very concerned that his service to so many bodies could intrude into the consideration which he has to give to formal education.

I mention that point so that the Premier can give it some consideration. I consider this could be an opportunity to take the director-general off the authority because he serves no purpose other than as a representative.

The then Premier went on to say that in the initial stages the authority would have jurisdiction only in respect of public servants and teachers. He also said that the Police Department had suggested it did not want to be represented on the authority at that stage, and that it was satisfied with the housing conditions which applied. That was some years ago and it is possible that

the thinking of the police has changed, and they are now interested in purchasing housing through the authority.

I endorse all that the member for Wembley said when he talked about the great improvement which has occurred in housing, and the co-operation which has been so freely offered by local authorities. That co-operation has enabled the funds of the authority to be used to the advantage of Government employees in Western Australia.

I well recall that when I took over the portfolio of Education in 1962 one of the problems I had to handle was the bad state of teacher housing at that time. I know my predecessor, the late Arthur Watts, also wrestled with this problem. In fact, he made some progress in that he called a conference of teachers and left with them the responsibility of conducting a survey to determine what was required in the way of housing and amenities. From the collective answers to questionnaires a sketch plan was drawn and estimates were made.

The SPEAKER: Order! There is too much audible conversation.

Mr. E. H. M. LEWIS: I think the town of Wyalkatchem was taken as an example and at that time it was estimated that a house would cost $10,000. That was apart from any additional lighting requirements or water supplies. I came into the picture at that stage, and I met a deputation from the teachers. The teachers were concerned at the cost of the housing and the rental, because they did not desire to pay more than $8 a week. It was quite obvious that the problem had been attacked from the wrong end. We should have found out what the teachers were prepared to pay and then designed a house to suit that budget. It was obvious that $8 a week would not meet interest and depreciation.

The teachers were also concerned at the interest rate and they considered that a figure of 4½ per cent.—or something of that nature—would be acceptable. It was estimated that the cost of providing new houses would be in the order of $5,000,000. That was a very substantial sum of money in those days, and represented a considerable part of the total loan funds available to the Education Department.

I took the problem to Cabinet and Cabinet conceived the idea of setting up a new authority which would have its own borrowing powers. As a result, the Act of 1964 was introduced and passed. We know that the authority effected a great improvement in teaching housing over the years. I do not now read about, or hear of, complaints from teachers concerning housing conditions and I think this is a good thing.

I support the Bill and have put forward my suggestion because I cannot see there is any need for the director-general to be spending his time on the authority when the tenants will have a direct representative of their own.

MR. J. T. TONKIN (Melville—Premier) [10.06 p.m.]: I thank the member for Wembley and the member for Moore for their support and their acceptance of this small Bill. I also appreciate the remarks they have made.

The Bill proposes to do two things only: To enlarge the authority by including a tenants' representative, and to make provision for the retirement of that representative before the end of the period for which he is appointed if special circumstances arise which justify such a dismissal.

I listened carefully to the suggestion put forward by the member for Moore, but I do not agree with it for the reason that if we could be certain that the tenants' representative was always going to be a teacher then possibly there could be something said for removing the Director-General of Education. However, if the director-general were removed from the authority and the tenants' representative were a person from some other section of the Public Service, or from the State Housing Commission, I cannot see that that representative would be of much use to the teachers.

So to ensure that the point of view of the teachers is expressed on the authority I think it is necessary to have somebody with the knowledge of the director-general —or possibly his deputy—because the State Housing Commission is represented on the authority; the Treasury, naturally, is represented on the authority; and the Public Service Board is represented on the authority. So the ordinary public servant is represented through the Chairman of the Public Service Board; the people working for the State Housing Commission have direct representation through the manager; and if the Director-General of Education is removed from the board there will be nobody to speak for the teachers.

Mr. E. H. M. Lewis: But would the teachers' requirements differ from those of the various officers of the Public Service?

Mr. J. T. TONKIN: I think it would be inadvisable to interfere with the authority as it stands, and so far as I am concerned I have no intention of doing so.

Mr. O'Neil: The Housing Commission is represented because it builds for the authority.

Mr. J. T. TONKIN: The tenants' representative could be a person from the State Housing Commission, a person from another branch of the Public Service, or someone who happens to be working in the Treasury. He could also be a teacher, but there is nothing to say that the tenants' representative will always be a teacher because he will be selected after consultation with the three bodies concerned.

The member for Wembley has foreshadowed an amendment and I agree with it. However, I cannot see the necessity for it because only a Minister spoiling for a fight would recommend the dismissal of a tenants' representative, who has been put there as a result of consultation with the organisations concerned, if the organisations were perfectly satisfied with the representation.

Any Minister who, after having consulted with the organisations, accepted their recommendations, and made an appointment, because of something which had upset him and without consultation with the organisation recommended to the Governor that the tenants' representative be dismissed, would be deliberately running into trouble. I cannot imagine anyone being so stupid as to contemplate such a course of action because he would stir up a hornet's nest just to satisfy some personal desire. It would not be worth while.

If the member for Wembley desires to go ahead with his amendment it is in accordance with the basic principle of the Bill and, for that reason, I have no objection to it. It would certainly ensure that there would be no possibility of a Minister taking a foolish action such as I have described; that is, desiring to sack the tenants' representative who had been appointed after consultation with the organisations concerned.

The very basis of the idea of providing for consultation is to give flexibility so that if at any time after the tenants' representative is appointed the bodies which recommended him feel he no longer has their confidence then there will be provision to have him removed and replaced. I just cannot imagine that a Minister would, of his own volition, and without reference to the organisations concerned, want to remove a tenants' representative so appointed.

I consider that the foreshadowed amendment is totally unnecessary but if the honourable member wants to proceed with it, as it is quite in accordance with the principle involved in the Bill, I will not oppose it. I commend the second reading.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (Mr. Bateman) in the Chair; Mr. J. T. Tonkin (Premier) in charge of the Bill.

Clause 1 put and passed.

Clause 2: Section 8 amended—

Mr. R. L. YOUNG: I thank the Premier for his comments and, firstly, I agree with him completely that any Minister who, without consultation with the three bodies, went ahead and recommended to the Government that the tenants' representative should be sacked would be very stupid indeed. However, I do not think it is our job to say what a Minister may or may not do.

I think our job is to put into Bills the things we believe are in the best interests of legislation. I have said that on a number of occasions and I am sure the Premier agrees with me. He has indicated he does not intend to oppose the amendment I have foreshadowed if I want to go ahead with it. I therefore advise that I do intend to go ahead with it.

I have circulated copies of the amendment and it has been pointed out to me that there is a simpler way to achieve what I desire; that is, by deleting from paragraph (b) of clause 2 the word "a" in line 28, and substituting the word "subsections" for the word "subsection" in line 29. Paragraph (b) of clause 2 would then read—

> (b) by adding after subsection (3) new subsections as follows—

Subclause (4) and the additional subclause (5) which I propose would then follow. I move an amendment—

> Page 2, line 28—Delete the word "a".

Amendment put and passed.

Mr. R. L. YOUNG: I move an amendment—

> Page 2, line 29—Delete the word "subsection" and substitute the word "subsections".

Amendment put and passed.

Mr. R. L. YOUNG: I move an amendment—

> Page 2—Add after proposed new subsection (4) the following new subsection to stand as subsection (5)—
>
> > (5) A recommendation by the Minister pursuant to subsection (4) of this section may only be made after consultation with and at the request of the bodies referred to in paragraph (e) of subsection (2) of this Section.

Amendment put and passed.

Clause, as amended, put and passed.

Title put and passed.

Bill reported with amendments.

DISTRESSED PERSONS RELIEF TRUST BILL

Second Reading

Debate resumed from the 5th April.

DR. DADOUR (Subiaco) [10.20 p.m.]: Before I start I would like to say that in principle I support the Bill. I think the principle is excellent but, unfortunately, I find the Bill itself wanting a little. The Bill does not exactly achieve what the Premier implied in his introductory

speech. Potentially, it can do much more than the Premier implied he wished it to achieve.

We must have a great deal of flexibility in a charitable trust such as the one it is proposed to set up, but I think the Bill is too loose because the word "distressed" means many things and covers a whole multitude of areas and circumstances. This is where I consider the Bill is wanting, in that it does not contain a definition of the word "distressed".

It is of interest to consider how the words "distressed circumstances" have been defined by the courts. The English High Court, when discussing the meaning of "distressed circumstances" in the rules of a friendly society, said—

> The words "distressed circumstances" although capable of many interpretations grammatically no doubt mean not only that a member is so sick that he cannot follow his ordinary employment, but that his position in life is so that he cannot live independently of that employment, that he is distressed in that sense.

In another case in 1904, the High Court said, in discussing the word "distressed"—

> The question whether seamen are in distress or not seems to me to be a question of fact in each case. It is quite possible that a seaman who may have a family to support in England may be said to be in distress abroad, though he is paid his wages in a foreign place.

It can be seen from those two statements that the word "distressed" can cover just about any circumstances one may name.

Mr. J. T. Tonkin: What would be wrong with that?

Dr. DADOUR: In a moment I will show what I mean by flexibility and looseness.

Mr. J. T. Tonkin: If people cannot get assistance from any existing charitable organisation, and the trustees feel those people need assistance, what is wrong with that?

Dr. DADOUR: I am trying to state my case as regards flexibility and looseness. I think the Bill was hastily put together —almost as though the Premier said, "Draft me a Bill and do it quickly."

Mr. J. T. Tonkin: If you said that to the draftsman, he would want to punch you on the nose.

Dr. DADOUR: If I were the draftsman, I would say, "What a bad job I have done." This is a bad piece of legislation. The idea behind it is wonderful and I support everything the Premier said in his second reading speech, but I do not support the Bill as it stands. It is far too loose. We must have flexibility but looseness is not good enough. My first reaction was to ask the Premier to take the Bill back and have it redrafted, because the principle has such merit that we do not wish to destroy it.

As regards distressed persons, distressed circumstances, etc., the Charitable Trusts Act, which deals with trusts relating to charities, limits the beneficiaries under that Act to "those persons who have need of those facilities by reason of their youth, age, infirmity or disablement, poverty or social or economic circumstances". As far as the Bill before us is concerned, I take an extreme analogy. A well-to-do person could be distressed by reason of the failure of an investment and, unless the trustees are wise, he could qualify for some benefit.

I, more than anyone in the House, see plenty of people who are distressed. Today I saw a man who was distressed by a thrombosed haemorrhoid. Under the Bill the first qualification for relief is that a person is—

> (a) in need of relief from personal hardship or distress;

The poor devil I saw today was distressed; he could not walk without pain. The second qualification is that a person is—

> (b) unable to obtain, or unlikely to be able to obtain such relief from any other source.

At the time, I was the only source of relief for this man, and I gave it to him.

The word "distressed" should be defined, or some limitations should be placed upon it. It seems preferable to adopt a definition limiting the benefits to those persons who have need by reason of certain circumstances, and in this regard the circumstances set forth in the Charitable Trusts Act are not without merit. I ask the Premier to give some thought to this matter because I think the limitations must be defined. Under the Bill as it stands, it is possible that a striking unionist who was distressed financially would qualify for relief.

Mr. J. T. Tonkin: You are assuming the trustees will be a lot of dills.

Dr. DADOUR: I am arguing that the Premier could easily choose his own lackeys as the trustees, and it could become the "John Trezise Tonkin Benevolent Fund for Striking Unionists". This could happen. I am not saying whether or not it would happen, but it could happen.

The Premier outlined circumstances in which distressed people might require surgery in another country or city, or in which the treatment available in another country or city was better than that available in Perth. I say the trustees should be people of such calibre that they would call for the best possible medical advice in such circumstances. They should call upon the expertise of the doctors concerned and be guided by them.

In his introductory speech the Premier outlined what he wanted this Bill to achieve, but I find the Bill goes much further than that. I intend to move an amendment which will provide a form of limitation but still give the flexibility that is necessary in the disbursement of funds under the legislation. The lack of limitations confers a great deal of discretionary power on the trustees—I think far too much discretionary power. The terms of reference could be spelt out more clearly. We must also consider that the trustees will have a supervisory function in ensuring that the money is used for the relief of distress and not for any luxuries.

There are many things to be considered, and although flexibility is needed it must not be too loose. There must be some inbuilt safeguards. I support the principle of the Bill and I hope the Premier will accept the amendment I will propose.

MR. R. L. YOUNG (Wembley) [10.31 p.m.]: I wish to make a small contribution to the debate, firstly to say that the companies which gave up their right to the refund of stamp duty promised to them by the present Government were kind enough to donate the claimable moneys to the State for charitable purposes. I think it demonstrated very commendable public spirit on their part and I hope, as does the Premier, that others will be encouraged to do likewise and make contributions to the fund that is being set up.

I, like the member for Subiaco, agree completely with the spirit of the Bill. I understand that at the moment the companies to which I referred may claim $290,000, and $29,000 of that amount will be paid into the fund each year for 10 years. I take it from the Premier's speech that each year as those moneys are foregone they will be paid into the fund. We on this side congratulate the companies concerned for their gesture, and thank them very much.

As far as the Bill itself is concerned, I also have a number of amendments on the notice paper in respect of two particular matters. I am inclined to agree with the member for Subiaco that the power to be given to the Governor to appoint four trustees, without the Parliament being given any indication of who the trustees may be or what qualifications they may or should hold, is a little loose. I agree the Bill must be flexible because if we try to tie down the trustees and to stipulate areas in which they may or may not distribute the moneys and the people to whom they may or may not distribute them, we might find ourselves in a situation in which we might just as well not have the Bill. The whole idea is to give to a trust a certain amount of money out of which it can apply at its discretion funds for the relief of people in need; and if we do not make the Bill flexible it will not work.

Having said that, and recalling that I was inclined to make some comments on the Indecent Publications Act Amendment Bill last year regarding the constitution of the committee proposed to be set up under that Act, but chose not to make such comments at the time, I am now inclined to make them in respect of this Bill. I have already commented during the debate on the Address-in-Reply on the people who were appointed to that committee. I thought it was particularly unworthy of the Government to appoint two people who are obviously politically biased.

As far as the Bill before us is concerned, no guidelines are laid down for the Governor regarding the appointment of trustees; and I would have thought the Public Trustee would make an excellent chairman of the trust. I do not think anyone could argue with the philosophy that the Public Trustee firstly would make an excellent member of the trust; and, secondly, would make an excellent chairman. I intend to move an amendment to have the Public Trustee made a member and the chairman of the trust. As far as the other three members of the trust are concerned, to avoid what happened in the case of the committee set up under the Indecent Publications Act, I will recommend in Committee by virtue of an amendment that the three persons to be appointed to the trust be persons of considerable experience in the administration of public or benevolent charities, so that the members of the trust will be people of experience of the hardships of raising and distributing money for charitable purposes.

My amendment will also have the effect of avoiding the possibility of persons being appointed to the trust who have not necessarily a political bias, but a simple Government departmental bias. For instance, I do not think for one moment that a Treasury officer should be appointed to the trust. So, having said that and having made the Premier aware of the reasons behind my proposed amendments, I will leave that subject and move on to clause 6.

This clause sets out who may not hold the position of trustee. My proposed amendment regarding this clause is only a technical amendment, inasmuch as one of the persons who should not be eligible for appointment to the trust is a bankrupt. That is fair enough. However, paragraph (b) states that if within the preceding six years a person has as a "bankrupt debtor" taken advantage of protection or relief under any law for the protection of bankrupt debtors, he is not eligible to be a trustee. There is no such thing as a bankrupt debtor unless the person is a bankrupt.

Paragraph (a) refers to a person who is a bankrupt; clearly such a person is not eligible for appointment. However, the term "bankrupt debtor" should not be used in paragraph (b) because it has the same meaning as a bankrupt. In paragraph (b) I think the draftsman was trying to refer to a person who is taking advantage of the bankruptcy laws and who is a debtor but not a bankrupt debtor; because under certain sections of the Bankruptcy Act a person may protect himself against creditors without having to become a bankrupt. Therefore, he is not a bankrupt debtor. So I will move an amendment in that respect. I will move a further amendment to clause 7 to continue the same philosophy. Under clause 7 the Governor may remove from office any trustee who becomes bankrupt. That is the only mention made of the debtor situation. But it is not as simple as that because in the existing clause 6 a person who has been a bankrupt debtor within the previous six years is denied the right to become a trustee. Surely it follows that we must apply the same philosophy in clause 7 in respect of a person who takes advantage of the bankruptcy laws while he is a trustee. Therefore, I propose to place another amendment on the notice paper in respect of those two technical points. Apart from the points I have made, I support the Bill.

MR. J. T. TONKIN (Melville—Premier) [10.40 p.m.]: I thank the member for Subiaco and the member for Wembley for their contributions to the debate. This is a very simple Bill; actually I could have achieved the objective I wished to achieve without presenting a Bill at all. I could have retained the money in the Treasury and decided myself upon applications being made as to whether the people applying for assistance were worthy of receiving it. Had I done that, we would not have received the criticism of the Bill we have heard this evening indicating that the measure is loosely drawn up and, although flexibility is desirable, the Bill is not specific enough. I could have avoided all that and simply said that the money is being held in a special fund and people who cannot obtain assistance from any existing charitable organisation may apply to me, and if I feel they are worthy cases assistance will be granted.

However, I felt it was better to do it this way, and to appoint a board of trustees who will determine whether or not applications made could be satisfied from existing charitable organisations; and in the event of the applicants being unable to receive assistance from existing organisations, the trustees will determine whether the applications submitted to them are worthy of assistance, and the extent of the assistance which should be granted.

I can accept that some members have different ideas about how the trustees will operate. I had to smile at the suggestion of the member for Subiaco that I might appoint some cronies of mine who would dish out the money in a certain direction for my aggrandisement, but I think that is a subject for mirth and not for serious consideration because if that were done one would be subject to so much criticism —particularly from the member for Subiaco—that the game would not be worth the candle.

What I had, and still have, in mind is that the persons who will be selected as trustees will be selected from different walks of life and from different groups of people who, because of their standing in those groups, would be likely to have a special knowledge in respect of the applications for assistance which might come from the groups. I felt we should take advantage of a very worthy organisation already in existence which advises people as to whether assistance of one kind or another may be obtained. This is an organisation which has a complete knowledge of all the charitable sources in existence—every one of them—and could say at a moment's notice where assistance may be obtained for this need or that need. I had in mind that a representative of that organisation should be appointed one of the trustees. So I do not like the idea foreshadowed in one of the proposed amendments to limit greatly the choice of the trustees. I do not think that would be to the advantage of those to be helped.

If objection is taken to the inclusion of the word "distressed" we can easily overcome it by deleting the word altogether and calling it a relief trust fund. I am not wedded to the inclusion of the word in the name if it will distress anyone; but I want it known that we have a relief trust fund to help people who cannot obtain help anywhere else; in other words, they cannot get help from the Lotteries Commission, Meals on Wheels, the Braille Society, the societies for the deaf, or any other such organisation, and so in desperation they appeal to this particular fund.

I say that such persons who cannot obtain assistance from any existing charitable organisation are certainly persons in distress if they require help, so what would be wrong in referring to a distressed persons relief fund? However, if the word "distressed" offends, I would have no objection to its deletion, thus referring to the fund as a relief trust fund to be used to give relief to a person who cannot obtain relief from any other source. That is all there is to it.

A number of amendments, which are not on the notice paper, have been foreshadowed, and I would like to study their effect, so I do not propose to take the Bill into

Committee tonight. I will be content at this stage if the House will pass the second reading.

Question put and passed.

Bill read a second time.

House adjourned at 10.48 p.m.

Legislative Council

Wednesday, the 18th April, 1973

The PRESIDENT (The Hon. L. C. Diver) took the Chair at 4.30 p.m., and read prayers.

QUESTIONS (15): ON NOTICE

1. DEVELOPMENT

Pilbara Plan: Discussions in Tokyo

The Hon. W. R. WITHERS, to the Leader of the House:

Will a State representative accompany the Federal Treasurer, Mr. Crean, when he discusses the Western Australian Government's multi-million dollar Pilbara development project during his visit to Tokyo next week?

The Hon. J. DOLAN replied:

No.

2. WATER SUPPLIES

Carnarvon

The Hon. G. W. BERRY, to the Leader of the House:

(1) With reference to paragraph 5 of the article in the *Northern Times* dated the 23rd November, 1972, which stated under the headlines "Major Water Conservation Scheme for Carnarvon", that "The estimated cost of this work is $5 million and a submission has already been made to the Commonwealth for financial assistance to enable the project to be completed in the shortest possible time"—on what date was—

(a) the submission made; and

(b) the acknowledgement received from the Commonwealth Government?

(2) Has any decision been made by the Commonwealth Government?

(3) If not, is there any indication when a decision might be made?

The Hon. J. DOLAN replied:

(1) (a) A submission entitled "Water Supply of Carnarvon and the Gascoyne Irrigation Area" was submitted to the Commonwealth Government on 28th September, 1972, for inclusion in the National Water Resources Development Programme.

The submission included Geological, Agricultural and Engineering reports but additional information to provide an economic analysis of irrigated agriculture in the Gascoyne area was required.

The economic analysis will be completed in May, 1973 and forwarded to the Commonwealth Government to enable the project to be considered further.

(b) Apart from verbal confirmation from the Commonwealth Government, no acknowledgment has been received.

(2) No.

(3) No.

3. RAILWAYS

Perth-Leighton Line: Conversion to Busway

The Hon. F. R. White for The Hon. L. A. LOGAN, to the Leader of the House:

(1) Is the statement made by Mr. McKenzie, the Acting Secretary of the Joint Railway Unions Executive and the Western Australian Amalgamated Society of Railway Employees, which was published in *The West Australian* on Tuesday, the 17th April, 1973, that the Premier, Mr. Tonkin, gave an assurance last July that the line would not be closed between Perth and Leighton, true?

(2) If the answer to (1) is "Yes", why was clause 2 and the first schedule included in the Perth Regional Railway Bill, 1972?

The Hon. J. DOLAN replied:

(1) Yes.

(2) At the time the Bill was prepared and presented to Parliament, it was planned that a Busway would be introduced. Complete electrification of the existing railway system was a later decision.

4. PREVENTION OF CRUELTY TO ANIMALS ACT

Vivisection

The Hon. LYLA ELLIOTT, to the Leader of the House:

(1) What experiments are carried out on animals in this State for scientific purposes?