ADJOURNMENT OF THE HOUSE: SPECIAL

THE HON. R. THOMPSON (South Metropolitan—Minister for Police) [12.19 a.m.]: I move—

That the House at its rising adjourn until 2.30 p.m. today (Wednesday).

Question put and passed.

House adjourned at 12.20 a.m. (Wednesday)

Legislative Assembly

Tuesday, the 4th December, 1973

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

ANNUAL LEAVE BILL

Message: Appropriations

Message from the Lieutenant-Governor received and read recommending appropriations for the purposes of the Bill.

METROPOLITAN (PERTH) PASSENGER TRANSPORT TRUST ACT AMENDMENT BILL

Introduction and First Reading

Bill introduced, on motion by Mr. Jamieson (Minister for Works), and read a first time.

Second Reading

MR. JAMIESON (Belmont—Minister for Works) [4.33 p.m.]: I move—

That the Bill be now read a second time.

This Bill aims to bring about a situation in which the separate operations of the Metropolitan (Perth) Passenger Transport Trust—M.T.T.—and the Western Australian Government Railways—W.A.G.R.—suburban passenger services are brought together in such a way that one management or directing body is accountable for deploying our total urban public transport assets—trains, buses, and ferries—and so that the total cost of providing public transport in the Perth region can be clearly and separately identified.

At various times during the past 20 years, expert reports upon the subject of planning and transport in Perth have commented upon this need. For example—

Stephenson and Hepburn, 1955: Plan for the Metropolitan Region, Perth and Fremantle—

Page 178.

> It is to be hoped that a unification of the public transport services is not too far distant. Without this, the establishment of through routes, and a closer relationship between suburban train and bus services, will not be achieved.

DeLeuw Cather and Company, 1964: Report on Public Transport and the Planning Process for Perth, Western Australia—

Page 3.

> Extension of the present collaboration between Western Australian Government Railways and Metropolitan Passenger Transport Trust is imperative. In the longer term, complete consolidation of public transport agencies in the Perth region must be the objective.

Wayne, 1966: Overall Review of Transport in Western Australia—

Page 36.

> The Transport Authority would, amongst other things, have the responsibility of co-ordinating and controlling transport, public and private, entering the City of Perth. To do this effectively, it must have jurisdiction over the operation of the various forms of public transport—trains, buses, taxis and ferries—

Mr. O'Connor: It would all come under the M.T.T., I take it?

Mr. JAMIESON: If the honourable member will listen, he will know as much about it as I do. I am handling the Bill for the responsible Minister.

Mr. O'Connor: I am not trying to be difficult.

Mr. JAMIESON: Nor am I. The quote continues—

> —and in the case of private transport, jurisdiction over the determining factor in private transport movement insofar as the city is concerned, i.e., vehicle parking. I recommend accordingly.

Nielsen, 1970: Perth Regional Transport Study, 1970—

Page XII-1.

> Perhaps the greatest difficulty that confronts cohesive transport planning for the Perth Metropolitan Region is the absence of any statutory framework within which all concerned are required to operate.

Page XII-3.

> The need exists for a single organisation to act with authority on transport planning and also to co-ordinate its activities closely with land use planning. It is recommended that a Metropolitan Region Transport

Authority be created to regulate and co-ordinate urban transport activities within the Perth Metropolitan Region.

It will be noted that all these experts envisaged the creation of a separate and distinct body in the form of a regional transport authority, which would have jurisdiction not only over the rail, bus, and ferry operations but also over road construction, parking, and traffic management.

The chart which I will table sets out the responsibilities of five Ministers in so far as each responsibility impinges directly or indirectly on transport in the metropolitan region. The total apparatus displayed on the chart is, to say the least, complicated.

There are a number of different channels of control. Various organisations are involved, taking their powers from different Acts of Parliament and often responsible to different Ministers. These various areas of responsibility are largely historical in origin and not the result of a logical division of the overall transport task on a functional basis. Instead, single functional areas tend to be the responsibility of more than one authority. For example, the responsibility for providing public passenger transport services is shared between the M.T.T. and the W.A.G.R. while the responsibility for the provision of roads is shared between the Commissioner of Main Roads and the local authorities.

The management of bus and ferry services within the metropolitan region and the purchase and maintenance of buses and other equipment is the responsibility of the M.T.T. under the Metropolitan (Perth) Passenger Transport Trust Act. In 1972-73 the trust carried 59,000,000, passengers on 810 route miles at a total cost of $13,627,000. Of this cost, $9,014,000 was met from fares and other revenue. The resulting loss on the year's operations—$4,614,000—was funded from the State's Consolidated Revenue account.

Rail passenger services in the metropolitan region are managed by the W.A.G.R. Commission under the Government Railways Act as part of its overall responsibility for the provision and operation of railways throughout the State. In 1972-73, 11,000,000 passengers were carried on the 40 route miles of suburban line. It is difficult to identify the cost of operating the suburban services because they form only a small part of the commission's total operations.

However, the commission estimated in 1972 that the total cost of the suburban services was $5,766,000. The earnings from these services were estimated at $1,604,000. The resulting loss on the year's operations was $4,162,000 and it was funded from the State's Consolidated Revenue account.

The division of responsibility displayed in the chart has meant that the organisations carrying out the various parts of the total transport task have tended to adopt objectives which seem appropriate when considered in isolation, but which, when considered together with the objectives of those organisations carrying out other parts of the task, have not produced the best result for the community as a whole.

Within our corridors, the best overall transport service would probably be obtained by an integrated bus/rail system. Because of their flexibility and ability to run on the ordinary road system, buses have a great advantage in collecting and distributing passengers. The railway train, with its ability to carry large numbers of passengers at speed, has an inherent advantage for the "line haul" part of the journey. The best overall system would thus appear to be one in which buses provided feeder services to the railway.

In practice, however, the full possibilities of this type of service have not been exploited. One reason for this has been that the M.T.T. has understandably tended to see its objective as being to improve its own financial result. It has thus been reluctant to provide bus feeder services which are relatively costly. Instead, it has preferred that a bus which has collected a load of passengers should run into the city with them, rather than transfer them to the railway and so lose the revenue for the greater part of the journey.

The W.A.G.R., on the other hand, having to rely mainly upon passengers who walk to railway stations, has from time to time sought to increase patronage by increasing the number of stopping places. This has tended to increase journey times overall and thus to reduce the railway's inherent advantage in providing fast line haul service.

An increasing measure of co-ordination and unity of purpose is being achieved between all these functions by developing existing institutions. First, we have a Cabinet subcommittee on Perth regional transport comprising the Minister for Works as chairman, the Minister for Transport, the Minister for Police, and the Minister for Town Planning; that is, four of the five Ministers appearing on the chart.

Secondly, we have the Perth Regional Transport Co-ordinating Committee which evolved out of the 1970 Perth Regional Transport Study Steering Committee. This informal co-ordinating committee is chaired by the Director-General of Transport and comprises the Chairman of the Metropolitan Region Planning Authority, the Deputy Under-Treasurer, the Co-ordinator of Development and Decentralisation, a representative of the Trades and

Labor Council, the Town Planning Commissioner, the Lord Mayor of Perth, and the permanent heads of the three operating agencies; namely, the Commissioner of Railways, the Commissioner of Main Roads, and the Chairman of the M.T.T. This membership brings together most of the officers heading up the agencies shown on the chart.

During 1972, the Perth Regional Transport Co-ordinating Committee undertook, at the Government's request, a further study of the organisational framework of transport in the metropolitan region. Members may be interested in this and, accordingly, I will table a copy. It does not appear to be at hand; possibly it is included in the chart to which I referred earlier.

The study recommended the creation of a Perth regional transport authority, as had other studies, but after very careful review of the work, the co-ordinating committee concluded that the best approach for the time being would be to allow the co-ordinating committee to gain further experience in the process and take only the first step towards formal co-ordination or the ultimate goal of a Perth regional transport authority by amalgamating the day-to-day operational management of two of the public transport institutions—the W.A.G.R. and the M.T.T.

The measure now being introduced is aimed at achieving that objective. The result will be a three-tier organisation of Cabinet subcommittee, co-ordinating committee, and operating authority. It will be apparent to members that as time goes by and as experience is gained in this very complex area, it would be possible to formalise the structure further by perhaps constituting the co-ordinating committee as a regional transport authority and enlarging its jurisdiction.

Members may be interested in a brief review of moves being made in other cities. In general, two distinct phases of change can be identified—

(i) A move towards the consolidation of all public transport services under unified management in order to provide a better integrated service to the public and in an attempt to reduce costs.

(ii) A move towards the consolidation of the responsibility for land use and transport planning and for the co-ordination and control of both public and private transport, including parking, under a single authority.

Many cities are well advanced with this first phase of organisational change; the consolidation of public transport services.

Hamburg made a major organisational change in 1966. A number of transport undertakings, both publicly and privately owned, merged voluntarily to form a transport and tariff community, the "Hamburger Verkehrsverbund" or Hamburg Transport Community. It had been recognised that technical and operational improvements were not sufficient to arrest the decline in public transport patronage that had been going on for some years. Organisational measures were also required.

As a result of the merger, much competition between operators has been eliminated and bus-to-rail feeder services have been improved. There are now no fare disincentives to a passenger changing from bus to bus or from bus to train. A single fare only is required for any journey within the system, however many changes are involved. All fare revenue collected is credited to the community and distributed amongst the various operators in proportion to their contribution to the transport task.

In Brisbane, an overall public transport authority to co-ordinate services and eliminate wasteful competition was recommended by Wilbur Smith and Associates in their report "S.E. Queensland: Brisbane Region: Public Transport Study" of 1970.

The authority would be a corporate body controlled by a board of directors consisting of the Commissioner of Transport and five members, being private citizens nominated by the Governor. It would be responsible to the Minister for Transport and would have a general manager who would be responsible for its day-to-day operations.

A somewhat similar recommendation emerged from the Metropolitan Adelaide Transport Study, 1970. In Adelaide the first steps towards the creation of a M.R.T.A. have already been taken.

Probably the largest and most comprehensive effort to deal with the problems of metropolitan region transport in the United States was initiated in the New York region 11 years ago, when the Tri-State Transportation Commission instituted comprehensive land use/transport planning on the basis of a region including parts of three States—New York, New Jersey, and Connecticut.

Then in 1968, the Metropolitan Transportation Authority was created to deal with mass transportation problems in the New York State sector of this region. The M.T.A. is a sort of public holding company. To accomplish its objective of co-ordinating and directing the policies of a number of agencies, companies, and authorities—each of which had its own legal charter, powers, properties, personnel, and traditions—the board of the M.T.A. and its chairman were by law made the board and chairman of these several bodies as well.

The M.T.A.'s finances are based upon the proposition that capital expenditure on public transport cannot be financed out of fares. It receives Federal, State, and New York City grants for construction and equipment. The M.T.A. is the largest authority of its kind in the United States. The area it covers has a population in excess of 12,000,000 and it has 56,000 employees.

In 1970 policy and financial control of London Transport was transferred from the Minister of Transport to the Greater London Council, the local authority for the London metropolitan region. London Transport constitutes a major part of the public transport system of London and includes both buses and underground trains. The surburban rail lines operated by British Rail complete the network and because they play an essential role, the possibility of a closer link between the council and British Rail is now being explored.

The transfer of London Transport has consolidated under the Greater London Council the responsibility for metropolitan roads, traffic management, parking control, and public transport.

In the conurbations in the United Kingdom other than London, local authorities having metropolitan jurisdiction do not yet exist, although they are recommended in the recent report of the Royal Commission on Local Government. But the reorganisation of public transport was recognised as a task too urgent to await the reform of local government generally, and in 1968 legislation was passed to set up passenger transport authorities in several of the conurbations in the United Kingdom.

The Tyneside Passenger Transport Authority was one of the first to be set up and is a good example. The Tyneside P.T.A. area is centred upon Newcastle-upon-Tyne and has a population of about 850,000. A total of 21 local authorities have jurisdiction in the area.

I now refer members to the Bill before them. I ask them when considering it to keep clearly in mind what it is in practical terms that we are seeking to do.

Firstly, we are aiming at establishing the M.T.T. as the body which determines the level, quality, and geographical spread of all public transport services in the Perth region. It already has this function with respect to buses and ferries; we wish to give it this responsibility with respect to rail.

Secondly, we wish to add the Commissioner of Railways to the three-man trust so that the new body has the benefit of his knowledge and experience when considering rail services and determining their level and nature.

Thirdly, we wish to identify in one set of financial records the true total cost of providing public transport. For this purpose all public transport revenue will accrue to the trust, and in turn the trust will reimburse the W.A.G.R. with the full cost of operating such suburban railway services as the trust requires. The W.A.G.R. deficit will thus be reduced by its present loss on suburban operations whilst the M.T.T. deficit will be increased by the same amount.

Fourthly, we wish to be able to make the best possible use of all our public transport facilities, employing each through the metropolitan area in those roles for which it is best suited.

Fifthly, we wish to develop one integrated ticketing system for all public transport modes and remove many of the restraints to a zoned system of fares. Zoning systems are not only cheaper to operate in so far as fare collection costs are concerned, but they are also much more convenient for the travelling public.

Sixthly, we wish to improve the image of public transport in the minds of users and potential users by advertising and other marketing techniques which promote public transport as a whole, rather than as bus and rail separately. In this context we will be aiming at improving public transport's visible manifestations by new colour schemes, new emblems, and perhaps a catchy name for the system as a whole. The product the consumer is buying is, after all, transport and it should be sold as such.

Seventhly, we wish to reduce costs by consolidating a number of services such as information, timetable publication and distribution, planning, lost property, periodical ticket sales, etc.

Eighthly, we wish the W.A.G.R. to continue to own all suburban railway facilities and to continue to operate all suburban passenger services.

The Bill before the House provides for these objectives. Clauses 1, 2, and 3 are the usual machinery clauses. It will be noted that clause 3 amends the principal Act to clearly lay on the trust the additional responsibility to provide efficient suburban railway passenger services.

Clause 4 provides interpretations appropriate to the trust's new member and its new responsibilities. Clauses 5 to 14 provide for the Commissioner of Railways to join the trust and make the usual provisions applicable to such appointments.

Clause 15 defines the functions of the trust and its particular relationship with the W.A.G.R. Specifically, it gives legal expression to the broad intention about which I have already spoken.

The file was tabled (see paper No. 535).

Debate adjourned, on motion by Mr. O'Connor.

Message: Appropriations

Message from the Lieutenant-Governor received and read recommending appropriations for the purposes of the Bill.

GOVERNMENT RAILWAYS ACT AMENDMENT BILL

Introduction and First Reading

Bill introduced, on motion by Mr. Jamieson (Minister for Works), and read a first time.

Second Reading

MR. JAMIESON (Belmont—Minister for Works) [4.58 p.m.]: I move—

That the Bill be now read a second time.

Unlike the previous Bill, this is a very short one and is complementary to the other. This measure flows logically from the Government's wish to appoint the Commissioner of Railways to the Metropolitan (Perth) Passenger Transport Trust, and to constitute that trust as the body responsible to determine the level, quality, and geographical spread of urban public transport services in the Perth region. A Bill to give effect to this wish has already been introduced.

The amendment to the Government Railways Act allows the Commissioner of Railways to take notice of the new role of the trust in managing, maintaining, and controlling the Government railways. I would point out that the Bill to amend the Metropolitan (Perth) Passenger Transport Trust Act specifically limits the trust's powers to suburban bus, ferry, and rail services.

I commend the Bill to the House.

Debate adjourned, on motion by Mr. O'Connor.

RESERVES BILL

Introduction and First Reading

Bill introduced, on motion by Mr. H. D. Evans (Minister for Lands), and read a first time.

QUESTIONS (29): ON NOTICE

1. B.H.P. STEEL MILL

Labour Shortage

Mr. THOMPSON, to the Premier:

(1) Is he aware that a shortage of labour at B.H.P.'s Kwinana mill has reduced rolling time from 17 to 11 shifts per week, and it is the drastic reductions in rolling time which are responsible for the company not being able to supply their customers with the sections produced at that plant?

(2) Will he state what steps he is prepared to take now to overcome the labour shortage?

Mr. J. T. TONKIN replied:

(1) Australian Iron and Steel Pty. Ltd., Kwinana steelworks has submitted a group nomination for assisted passage to Australia from the United Kingdom for approximately 120 workers, married and single, aged between 18 and 40 years as production workers in the steel industry. Full training is to be given. The employees will be required to work in Kwinana and accommodation will be provided in Orelia. A B.H.P. Ltd. representative will assist the State Immigration Branch to recruit and select the labour. This application is being forwarded to the Australian Immigration Department.

(2) The State Government has embarked on an advertising campaign for workers for Western Australia, and an increased number of applications have been received. These applications are currently being processed by the State immigration officers in London.

2. REFERENDUM

Cost

Mr. O'NEIL, to the Premier:

(1) When was the last referendum relating to State matters held in Western Australia?

(2) What was the subject?

(3) What was the result?

(4) What was the cost?

(5) What is the estimated cost of conducting a referendum at the present time?

Mr. J. T. TONKIN replied:

(1) 9th December, 1950.

(2) Proposal that prohibition shall come into force in Western Australia. This was a poll conducted under the provisions of the Licensing Act 1911.

(3) The proposal was not carried.

(4) £11,973 ($23,946), exclusive of printing.

(5) (a) If a referendum were held separately from a general election—$190,000 exclusive of printing, advertising, temporary assistance, overtime, postages, telephones, stationery and stores.

(b) If held on the same day as a general election the combined cost of a general election and a referendum would be as in (a) plus some additional cost for printing and advertising, and some additional cost for polling officials.

3. INDUSTRIAL STOPPAGES

Loss to Economy

Mr. RUSHTON, to the Minister for Labour:

For each of the years 1969 to 1973—

(a) how many strikes have been held in Western Australia;

(b) what total man-days have been lost;

(c) what wages have been lost to the workers due to these strikes;

(d) what value in production has been lost?

Mr. HARMAN replied:

(a) Stoppages of work notified to the Industrial Commission during the period in question are as follows—

Year	No. of stoppages	Estimated man days lost
1/7/1968-30/6/1969	69	76,948
1/7/1969-30/6/1970	77	79,549
1/7/1970-30/6/1971	63	178,478
1/7/1971-30/6/1972	78	432,849
1/7/1972-30/6/1973	93	92,892
	380	860,716

(b) Answered by (a).

(c) and (d) Not known.

4. TOWN PLANNING

Armadale-Kelmscott: Rezoning of Rural Land

Mr. RUSHTON, to the Minister for Town Planning:

(1) Has he overruled the Shire of Armadale-Kelmscott in its town planning by insisting on amending its town plan by rezoning rural land urban within the shire for use by the State Housing Commission?

(2) How many acres are involved?

(3) Is he aware the shire objected to the commission's intentions of creating a high density housing development within the shire when commission officers have discussed their intentions with shire councillors?

(4) Will these amendments to the M.R.P.A. plan and the shire plan be presented to Parliament for ratification?

(5) If "No" to (4), will he please explain his authority to by-pass Parliament in a major amendment to the M.R.P.A. plan and shire plan?

(6) If these zoning amendments are not finalised will he confirm if this is his intention and will he give reasons for directing the shire in this regard?

(7) What other areas within the metropolitan region have been rezoned from rural to urban without ratification by Parliament in the past three years?

(8) Which rural areas within the metropolitan region have been subdivided into home blocks without being rezoned from rural in the past three years?

Mr. DAVIES replied:

(1) No. However, the M.R.P.A. has supported the rezoning of land in the vicinity of Ninth Road, Armadale. This suggestion has yet to be formally commented on by the council through the Group "C" District Planning Committee.

(2) 340 acres (approximately).

(3) No.

(4) If a decision is made to proceed with an amendment to the Metropolitan Region Scheme, the subject rezoning will most certainly be presented to Parliament. Any subsequent amendment to the shire scheme would not be required to be presented to Parliament.

(5) Answered by (4).

(6) Answered by (1).

(7) (a) The Metropolitan Region Scheme has not been amended during the last three years to rezone land from "rural" to "urban" without ratification by Parliament.

(b) Certain areas have been rezoned from "rural" to "urban" in local authority town planning schemes following the statutory provisions of advertisement, objection, etc. as required under the Town Planning and Development Act, 1928-1972.

(8) A comprehensive answer cannot be given to this question without a thorough departmental study. However, home blocks have been created at Two Rocks, Yanchep, Wanneroo Townsite, Whitfords, Forrestfield and Singleton. This procedure is permissible in accordance with answer 7 (b).

5. TRADE UNIONS

Amalgamations

Mr. MENSAROS, to the Minister for Labour:

(1) How many amalgamations have occurred with State registered industrial unions during the past five years?

(2) Could he name the unions so amalgamated?

Mr. HARMAN replied:

(1) Year ended—

1968	....	2
1969	....	2
1970	....	Nil
1971	....	Nil
1972	....	2
		6
For 1973 to date		1
		7

(2) 1968—

(a) Western Australian Amalgamated Society of Carpenters and Joiners' Industrial Union of Workers and The Operative Bricklayers and Stone Workers Industrial Union of Workers, W.A., became the Western Australian Carpenters and Joiners, Bricklayers and Stoneworkers Industrial Union of Workers.

(b) Amalgamated Seamen and Dockers' Union of Western Australia, Union of Workers and The Federated Shipwrights and Ship Constructors' Association of Australia, West Australian Branch, Industrial Union of Workers, became the Maritime Workers' Union of Western Australia, Union of Workers.

1969—

(c) West Australian Operative Bakers' Union of Workers and the Western Australian Pastrycooks and Confectioners' Employees' Union of Workers, Perth, became the West Australian Bakers' Pastrycooks and Confectioners' Union of Workers.

(d) Amalgamated Engineering Union of Workers, Perth Branch; Amalgamated Engineering Union of Workers, Kalgoorlie Branch; Amalgamated Engineering Union of Workers, Collie branch, became the Amalgamated Engineering Union of Workers of Western Australia.

1972—

(e) The Food Preservers' Union of Western Australia, Union of Workers and the Western Australian Egg Marketing Board Employees' Union of Workers, became the Food Preservers Union of Western Australia, Union of Workers.

(f) Amalgamated Engineering Union of Workers of Western Australia; The Boilermakers' Society of Australia, Union of Workers, Coastal Districts, W.A.; the Boilermakers Society of Australia, Union of Workers, Kalgoorlie branch, No. 11, became the Amalgamated Engineering Union of Workers of Western Australia.

1973—

(g) Amalgamated Engineering Union of Workers of Western Australia and the West Australian Vehicle Builders Industrial Union of Workers, became the Amalgamated Engineering Union of Workers of Western Australia.

6. MINISTERS OF THE CROWN

Increase in Number

Mr. O'NEIL, to the Premier:

(1) Does he recall stating in his policy speech " . . . it is proposed to examine carefully the effect of additional responsibility of Ministers and, if found necessary, Parliament will be asked to alter the Constitution to enable an increase to be made in the number of Ministers"?

(2) Is the fact that no move has been made to increase the number of Ministers an indication that—

(a) there has been no increased responsibility of Ministers; or

(b) no careful examination has been carried out; or

(c) experience has shown that 12 Ministers can adequately handle any increased responsibility that has eventuated?

Mr. J. T. TONKIN replied:

(1) Yes.

(2) (a) No.

(b) No.

(c) Yes.

7. CENTRALIST POLICIES OF COMMONWEALTH

Opposition by State

Mr. MENSAROS, to the Premier:

Does the realisation by the Minister for the North West—expressed in his recent comments, coming only a year after the commencement of the centralistic policies of the Commonwealth Labor Government—of the adverse effects of the foreign investment policies of the Federal Government mean that his Government will now join with the Queensland, Victorian and New South Wales Governments to effectively fight all policy decisions of Canberra which are designed to achieve more centralised power in the fields and matters which can

be legally and practically decided by State Governments and Parliaments?

Mr. J. T. TONKIN replied:

The Western Australian Government will, at all times, act in a manner which it considers to be in the best interests of this State.

8. AGED PERSONS' HOMES

Government Subsidy

Mr. JONES, to the Minister for Health:

(1) What daily subsidy is at present being paid by the Government to people admitted to frail aged homes who qualify for the benefit?

(2) What was the total of subsidies paid for years 1971, 1972 and 1973 to date?

(3) Is it correct that the Australian Government is to finance the subsidy scheme as from December of this year?

(4) If (3) is "Yes" will he advise—

(a) the daily or weekly rate to be paid;

(b) the additional annual revenue that will be made available to approved organisations in Western Australia as a result of the Federal decision?

Mr. DAVIES replied:

(1) A State subsidy of $1 per day applied up to 3rd December, 1973, in respect of approved frail aged residents under 80 years of age. From 4th December, 1973, State subsidy will not be necessary because of the Australian Government's decision to pay personal care subsidy of $12 per week to approved hostels in respect of each eligible resident without the age barrier of 80 years which previously applied.

		$
(2)	1970-71	65,260
	1971-72	80,822
	1972-73	115,224
	1973-74 (to 30th November 1973)	39,694

(3) Answered by (1).

(4) (a) Answered by (1).

(b) This information is not available.

9. DAYLIGHT SAVING (REFERENDUM) BILL

Reason for Introduction

Mr. MENSAROS, to the Minister for Labour:

(1) Having introduced the "Daylight Saving (Referendum) Bill" which in Part III is the same in substance as the "Daylight Saving Bill" resolved in the negative by the Legislative Council during the current session, is it his Government's policy only to debate this measure in the Legislative Assembly for the sake of publicity?

(2) If not, what was the reason for introducing the Bill, when according to Legislative Council Standing Order No. 185 it cannot be proposed in that Chamber and thus it cannot become an Act of Parliament?

Mr. HARMAN replied:

(1) and (2) The Daylight Saving (Referendum) Bill does not ask the same question as the Daylight Saving Bill previously rejected in another place.

The previous Bill was unconditional and was for a period from 28th October, 1973 to 3rd March, 1974. This Bill poses a different question: the period being 27th October, 1974 to 2nd March, 1975 and furthermore is not absolute but is conditional on the electors being in favour of it.

It is no more the same question than if two Bills were involved in the same session, one of which imposed a tax of $2.00 for each bottle of beer sold in December 1973 and the other attempted to impose a tax of $2.00 for each bottle of beer sold in December 1974.

10. SCHOOLS

Free Books and Teaching Aids: Grants

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

(1) Will he please give the formula upon which the amount of money is calculated (whether it is based on the number of pupils, size of school, etc.) which is granted and allocated to primary schools for—

(a) library books;

(b) free textbooks;

(c) free stock;

(d) teaching aids?

(2) Do the amounts, in particular the ones described in question (1) (b) and (1) (c), cover the necessary requirements for classes so that the required subjects can be taught without lack in quality or quantity in school books and stock?

(3) Did he or his department receive complaints from schools stating that their allocation has not covered the necessary requirements as described in (2)?

(4) If so, how many complaints did he receive?

(5) If answer to (3) is "Yes" what steps is he proposing to take to remedy the situation?

Mr. T. D. EVANS replied:

(1) (a)

Size of School	Grant
	$
0—50	160
51—120	200
121—200	250
201—300	300
301—450	400
451—600	500
601 + ...	600

(b) Materials issued under the free textbook scheme are available equally to all students.

(c) Freedom of choice is given within the requisitions issued to all schools.

(d) Class IA schools—$220;
Class I schools—$170;
Class II schools—$130;
Class III schools—$95;
Class IV and special native schools—$65.

(2) The overall needs of students will vary with different home backgrounds and different socio-economic environments. The free textbook scheme has received favourable response from teachers for the type of material being produced, its variety and its quantity.

The free stock entitlement has been greatly increased during the life of this Government, e.g. the *per capita* allowances have been increased from $1.43 and $1.90 for grades 1-3 and 4-7 respectively to $3.00 and $3.70.

(3) Some criticisms were received in the first year of the free textbook scheme but the predominant response from teachers has been favourable. Nearly all recent advice has been constructive.

(4) It is not possible to give an estimate of the number of comments received since all representations were not in writing.

(5) Steps were taken after the first year to offer greater flexibility and wider choice of materials.

11. POLICE

Prosecutions: Bashing and Blackmail

Dr. DADOUR, to the Attorney-General:

(1) How many—
(a) charges; and
(b) convictions,

have there been in each of the past ten years in Western Australia, concerning—
(i) bashing (assault);
(ii) blackmail,
of male homosexuals?

(2) How many of those—
(a) charged; and
(b) convicted,
were homosexuals or "bisexuals"?

Mr. T. D. EVANS replied:

(1) (a) and (b) Nil (only major assaults recorded).

(2) Answered by (1).

12. TRANSPORT WORKERS' UNION

Bread Carters: Compulsory Membership

Mr. BLAIKIE, to the Minister for Labour:

Does he know if the Transport Workers' Union has any legal entitlement to compel bread carters in either—
(a) metropolitan;
(b) country,
areas to become members of the union?

Mr. HARMAN replied:

(a) There is a preference to unionists clause in the Bread Carters (Metropolitan and Collie) Award No. 35/63 and the Bread Carters (Kalgoorlie) Award No. 16/41 and the Transport Workers' Union is therefore legally entitled to compel bread carters employed under those awards to become members of the union. If a person objects to being a member of a union, he or she has the right to apply to the Industrial Registrar of the W.A. Industrial Commission for exemption from union membership on the grounds of conscientious belief.

(b) There are no preference clauses in the Bread Carters (Albany) Award No. 17/45 or the Bread Carters (Bunbury) Award No. 3/34 and therefore there is no legal requirement on bread carters under those awards or in country areas not covered by awards to become members of the Union.

13. ETHIOPIAN FAMINE RELIEF

Appeal

Dr. DADOUR, to the Premier:

(1) Have the promoters informed him why the Ethiopian famine appeal closed 29th November, 1973, bearing in mind that the Ethiopian

people still have great needs and seeing it was being supported so well by the Western Australian public?

(2) Is he aware that the commendable medical action of four doctors going to Ethiopia has been totally financed by the Ethiopian Medical Action appeal and not the Ethiopian famine appeal?

Mr. J. T. TONKIN replied:

(1) and (2) No.

14. POLICE PROSECUTIONS

Sections 185 to 190 of Criminal Code

Dr. DADOUR, to the Attorney-General:

What were—

(a) the number of charges;

(b) the number of convictions,

for each of the past ten years against the following sections of the Criminal Code—

185, 187, 188, 189 and 190?

Mr. T. D. EVANS replied:

(a) Statistics are not maintained relating to charges laid under each section of the Act.

Charges relating to unlawful carnal knowledge with females under 16 years are—

1964—106,
1965—93,
1966—101,
1967—104,
1968—96,
1969—78,
1970—95,
1971—125,
1972—112,
1973—96.

Figures relating to indecent dealing with females under 16 years of age are—

1964—98,
1965—69,
1966—62,
1967—87,
1968—85,
1969—151,
1970—125,
1971—121,
1972—98,
1973—109.

(b) Separate records are not maintained, but all but 21 were convicted over the period referred to.

15. KINDERGARTENS AND INFANT HEALTH CENTRES

Government Assistance

Mr. MOILER, to the Treasurer:

What assistance both financial or otherwise is available from Government instrumentalities for the establishment of kindergartens and infant health centres within the metropolitan area?

Mr. J. T. TONKIN replied:

A grant of $4,000 is available to help meet the cost of construction of kindergartens registered with the Pre-School Education Board.

For infant health centres complying with public health standards, a grant is payable equal to one-third of the cost of construction.

16. POLICE

Plain Clothes Officers: Identification

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

Are plain clothes members of the Police Force and the C.I.B. obliged to show evidence of identification when approaching any member of the public in Western Australia?

Mr. BICKERTON replied:

Generally yes. Police standing order 1120 (3) provides "A member not in uniform shall not without reasonable cause refuse to produce his certificate of identity when requested to do so while executing his duty."

17. INDECENT PUBLICATIONS

Prosecutions

Mr. R. L. YOUNG, to the Minister representing the Chief Secretary:

(1) What is the total number of prosecutions taken under section 2 of the Indecent Publications Act since passage of the 1972 Bill setting up the advisory board on restricted publications?

(2) Of that total, how many prosecutions were lodged—

(a) on the advice of the advisory board; and

(b) on the initiative of the police?

(3) How many publications have been declared to be restricted?

(4) How many publications has the advisory board recommended for restriction?

Mr. HARMAN replied:

(1) 19 prosecutions have been dealt with by the courts.

(2) (a) and (b) All prosecutions are initiated by the police. As the board did not commence to operate

until June of this year they only made recommendations upon 11 of the 19 prosecutions. The advisory board now reviews and makes recommendations to the Minister on all publications which are submitted for possible action.

(3) 27 (26 others are under consideration pending a legal ruling).

(4) 53.

18. KWINANA POWER STATION

Oil Fired Units

Mr. JONES, to the Minister for Electricity:

Referring to question 8 of 29th November, 1973 would he advise the M.W. capacity of the units installed and those to be installed?

Mr. MAY replied:

The capabilities of units installed and to be installed at Kwinana power station are as follows—

Nos. 1-3—Installed. 120 M.W. each.

No. 4—To be installed almost immediately 120 M.W.

Nos. 5 and 6—To be installed for the winters of 1975 and 1976 respectively, 200 M.W. each.

19. ELECTRICITY SUPPLIES

Increased Demands

Sir DAVID BRAND, to the Minister for Electricity:

(1) What are the anticipated increased demands of electricity over the next three years from the S.E.C.?

(2) What action has he taken to meet the anticipated demands?

(3) Has the generating capacity ordered by previous Government been sufficient to meet growth demands to date, or has it been excessive and, if so, to what extent?

Mr. MAY replied:

(1) The estimated demands on the interconnected system for the next three years are:—

Winter 1974—797 M.W.

Winter 1975—877 M.W.

Winter 1976—965 M.W.

(2) The above estimated demands would be met by steam plant ordered during the previous Government's tenure of office.

Demands beyond the above periods have been estimated, and the present Government has approved installation of additional plant at Muja.

(3) Generating plant ordered during the previous Government's tenure of office was planned to match a higher estimated rate of load growth than has occurred. Plant installation rate and availability has met the lower growth rate without excessive operating margins to date.

Sir Charles Court: That tells its story.

Mr. MAY: I could tell more.

Sir Charles Court: I wish you would.

20. NORTH MIDLANDS HOSPITAL

Extensions

Sir DAVID BRAND, to the Minister for Health:

As the area served by the North Midlands hospital at Three Springs is rapidly expanding and because mineral sands development will attract an increased population, will he give serious consideration to the case put up by the hospital board for major improvements to the hospital and for a high priority for the work?

Mr. DAVIES replied:

The needs of the Three Springs hospital are recognised. Planning staff are fully engaged on projects for which funds have been allocated this financial year. Other projects, including Three Springs, will be given attention as soon as practicable.

21. MIDLAND JUNCTION ABATTOIR

Effluent Treatment Plant

Mr. MOILER, to the Minister for Agriculture:

(1) Has work commenced on the installation of the effluent treatment plant at the Midland abattoirs?

(2) When is it anticipated that the installation will be completed?

(3) When completed, is it anticipated that it will not be necessary to continue using the disposal area at present being used at Ridge Hill Road, Helena Valley?

Mr. H. D. EVANS replied:

(1) Installation commenced in June, 1973.

(2) Stage 1 should be in operation during January, 1974 and it is expected that the remainder of the installation will be completed during March, 1974.

(3) The Ridge Hill area will require to be used for approximately twelve months subsequent to March, 1974 whilst the new plant is being subjected to proving tests.

It is anticipated that it will be possible to effect a progressive phasing out of the Ridge Hill site after this period.

22. TELEVISION

Colour Sets

Mr. T. J. BURKE, to the Premier:

(1) In view of the fact it might be possible to convert black and white television sets to receive colour transmission, at a great saving on new cost, would he counsel the public of Western Australia to beware of negotiating the purchase of colour television sets until more information is available?

(2) Would he investigate the claims that it is possible to convert, and advise the public?

Mr. J. T. TONKIN replied:

(1) and (2) I shall arrange for the claims to be investigated so that the public will be informed of the practicality and cost of conversion from black and white to colour television.

It is understood that plans relating to the conversion of black and white television sets to receive colour transmission are being investigated (in conjunction with the Australian Broadcasting Control Board) but it is too early yet to express any opinion.

Colour standards for Australian television service (which includes television sets) have been prepared and have been in circulation through the board since 1970.

Technical standards for the operation of television stations for colour transmission which will contain specifications which stations will be required to meet, are expected to be available in the near future.

Standards are prepared by the board in conjunction with the manufacturing industry.

23. MEMBERS OF PARLIAMENT

Staff and Offices

Mr. T. J. BURKE, to the Premier:

(1) Would he advise which Members have applied to establish offices in their electorates?

(2) Would he arrange to publicise the location and phone numbers of electorate offices early in the New Year to bring the service to the notice of people resident in electorates where Members have acted to provide the facility for their constituents?

(3) Is there any deadline on applications for the establishment of an office?

Mr. J. T. TONKIN replied:

(1) This is not considered necessary, or desirable.

Mr. Hutchinson: Hear, hear!

Mr. J. T. TONKIN: To continue—

(2) Publicity will be given to the establishment of electorate offices, but early in the New Year may be a bit premature.

(3) No.

24. HOUSING

Single Units: Criteria

Mr. T. J. BURKE, to the Minister for Housing:

(1) What are the criteria at present applying to State Housing Commission single unit assistance?

(2) How many eligible—

(a) female;

(b) male,

applicants are at present registered?

(3) How many applications for single unit assistance have been met since February, 1971?

(4) Has consideration been given to broadening the criteria and, if so, could he give details?

Mr. BICKERTON replied:

(1) The following criteria apply in respect of single unit applicants—

(a) Income not to exceed $30.00 per week.

(b) Liquid assets not to exceed $600.

(c) Age not to be less than 60 years.

The criteria may be waived in cases of emergency.

(2) Applications on hand where the aforesaid criteria have been met are:—

(a) female 602.

(b) male 104.

(3) 279.

(4) The criteria have been broadened in respect of income by the amount of increase in social service pensions.

25. TRANSPORT

Underground Rapid-transit System

Mr. T. J. BURKE, to the Minister for Works:

(1) When is it anticipated the results of the feasibility study for the provision of an underground rapid-transit system for Perth will be available?

(2) Would he undertake to do everything possible to expedite the undergrounding and electrification

of our suburban rail system to provide easier access for those working in Perth, to encourage city shopping and secure the economic stability of the central business district?

Mr. JAMIESON replied:

(1) August, 1974, i.e. 10 months from the date of commissioning the consultants. There is no reason at this time why this date should not be met.

(2) Yes, but it is important to realise:

(i) it would be imprudent to proceed with electrification design until the central city railway study has been completed;

(ii) an economic case acceptable to the Commonwealth can be made for electrification and we believe financial assistance will be forthcoming when we are in a position to propose the project;

(iii) we cannot finance an underground ourselves and as yet there is no Commonwealth Government commitment to assist with an underground even if the central city railway study makes out an economic case for one.

26. TRAFFIC

Beach Buggies: Control

Mr. T. J. BURKE, to the Minister for Traffic Safety:

(1) What powers exist to control the use of beach buggies?

(2) Would he investigate the need for further powers to require the registration of these vehicles, the licensing of their drivers, and to generally control their use, particularly on metropolitan beaches?

Mr. JAMIESON replied:

(1) Unless in any area other than a road the use of beach buggies is controlled by the local shire council by-laws, if such exist, or, through the use of the vehicle the offence of drunken, reckless, dangerous or careless driving under the provisions of the Traffic Act does not emanate, there are no powers existing to control the use of beach buggies in any area.

(2) Yes.

27. LAND LEGISLATION

Withdrawal

Mr. RUSHTON, to the Minister for Town Planning:

(1) Now that the Environmental Protection Authority Annual Report 1973 adds its weight to the other objectors to the proposed Salvado 80,000 acre project, will he withdraw or defer the land legislation presently before the Assembly until the feasibility study is completed?

(2) Will he please advise me of the Western Australian organisations who have written him supporting all or any of the land Bills?

(3) Will he please table the memorandum of 22nd March, 1973 by the Director of Environmental Protection relating to a feasibility report into the north of the city development?

Mr. DAVIES replied:

(1) Research into all aspects of urban development in Salvado and elsewhere will continue for many years and I do not consider that the report referred to supports the contention of the Member. As the land legislation deals with the the setting up of administration machinery and does not establish any particular planning proposal, I do not propose to withdraw or further defer the Bills.

(2) I have not received supporting letters from organisations, Western Australian or otherwise.

(3) Yes, also tabled is the Town Planning Commissioner's reply.

The correspondence was tabled (see paper No. 537).

28. KWINANA-BALGA POWER LINE

Environmental Protection Authority: Consultation

Mr. THOMPSON, to the Minister for Environmental Protection:

(1) Was the Environmental Protection Authority consulted by the S.E.C. prior to the construction of the 132,000 volt power line which passes over the Helena Valley between Kalamunda and Darlington?

(2) If they were consulted, did they agree with the S.E.C. proposal?

(3) Did any one representing the authority inspect the area before construction of the line?

(4) Has an inspection of the area been made by a person or persons on behalf of the authority since the construction of the line?

(5) If "Yes" to (4), are they satisfied with the standard of work done?

(6) If no inspection has been made by the authority to date, will he have an immediate inspection made and report to Parliament before the end of the current session?

Mr. DAVIES replied:

(1) No.

(2) to (5) Answered by (1).

(6) An endeavour will be made to carry out such an inspection and report at the requested time.

29. POLICE PROSECUTIONS

Sections 181 to 184 of the Criminal Code

Mr. MENSAROS, to the Attorney-General:

(1) How many charges have been laid for breaches of—
(a) section 181 (3);
(b) section 182;
(c) section 183;
(d) section 184,
of the Criminal Code during each of the past ten years?

(2) How many of these charges resulted in convictions?

(3) How many individuals have been involved (whether on single or multiple charge, once or more often) in—
(a) charges described in (1) (a) to (1) (d);
(b) convictions for these charges?

Mr. T. D. EVANS replied:

(1) Statistics are not maintained relating to charges laid under each section of the Act but charges relating to sections 181 (3) 182 and 184 regarding homosexuality are—
1964—9,
1965—2,
1966—2,
1967—5,
1968—15,
1969—8,
1970—10,
1971—8,
1972—Nil,
1973—7.

Charges relating to indecently dealing with boys under the age of 14 years are—
1964—39,
1965—25,
1966—23,
1967—16,
1968—36,
1969—25,
1970—30,
1971—45,
1972—40,
1973—38.

(2) Separate records are not maintained but all but seven were convicted over the period referred to.

(3) Statistics are not maintained.

QUESTIONS (7): WITHOUT NOTICE

1. LAND TENURE

Commonwealth Inquiry: Recommendations

Sir CHARLES COURT, to the Minister for Town Planning:

(1) Has he received a copy of the report tabled in Federal Parliament today about land tenure?

(2) Has he been advised of the comments the Commonwealth Minister for Urban and Regional Development (Mr. Uren) made in a statement separate to the inquiry about the recommended "base date" of the 4th December?

(3) Does the Government agree with the recommendations in the report?

(4) Does the Government agree with the "base date" proposed by the Commonwealth Minister?

(5) Will the report and the separate statement of the Commonwealth Minister result in the Minister for Town Planning himself seeking to amend the three land Bills currently before the State Parliament?

(6) What is his reaction to the suggestion in the report that the development rights of all land be taken over by the Government without compensation?

Mr. DAVIES replied:

The Leader of the Opposition gave me 10 minutes' notice of his intention to ask this question, the answers to which are as follows—

(1) No.

(2) No.

(3) and (4) I cannot comment because I have not seen the report.

(5) No, because the Bills are quite distinct from anything which is apparently contained in the report to which the Leader of the Opposition referred and they are in line with the heads of agreement which have been agreed to and tabled in this Parliament. They are also in line with the legislation which has been supported by the Leader of the Opposition in the House of Representatives.

(6) My reaction to the Leader of the Opposition's statement—because I have not seen the report—is that if such is the case it would be unfavourable.

2. SCARBOROUGH SCHOOL

Improved Facilities and Accommodation

Mr. Thompson (for Mr. R. L. YOUNG), to the Minister representing the Minister for Education:

Unfortunately the member for Wembley cannot be present today and I am therefore asking the question on his behalf. The question is as follows—

Further to my question No. 11 of the 28th November—

(1) Is he aware that verandah space at the Scarborough Primary School has been converted to "temporary accommodation" and so occupied for a number of years?

(2) Is he aware that the space so occupied prevents cross-ventilation in summer and restricts sheltering space in winter?

(3) Will he confirm that the present conditions do not represent a health hazard for the children and staff?

(4) Will he reconsider his decision not to make the meagre improvements envisaged before the commencement of the 1974 school year?

Mr. T. D. EVANS replied:

The Minister for Education was apprised of the question and advises as follows—

(1) to (4) Funds have been allocated for the provision of two replacement rooms at this school during 1974. Proposed improvements to the two existing rooms have been deferred in view of this replacement programme.

3. POLICE

Racial Disturbance at Cue

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

(1) Is the Minister aware that a serious racial disturbance occurred at a dance in the township of Cue on Saturday night last?

(2) As this incident developed into an all-in brawl in which metal chairs and pieces of timber were freely used and which could easily have caused severe injuries or loss of life, would he have the matter investigated in an endeavour to establish the cause of the melee?

Mr. BICKERTON replied:

The Minister for Police has asked me to reply accordingly—

(1) Yes.

(2) Yes.

As the member for Murchison-Eyre knows this area and other areas as I do, I am sure he would be aware that this is not uncommon.

4. DEVELOPMENT

Foreign Capital: Views of Minister for the North-West

Sir CHARLES COURT, to the Premier:

You will recall, Mr. Speaker, that last week I asked a question of the Premier. In view of the time factor, it was impossible to place it on the notice paper. I ask the Premier—

(1) Will he explain where the Minister for the North-West was at variance in his statements reported in *The West Australian* of the 29th November, with those he—the Premier—was reported to have made in *The West Australian* of the 24th November, 1973?

(2) Will the Premier table the information he refers to in the *Daily News* of the 29th November, and about which he is reported as saying that he —Mr. Bickerton—would not, or could not, have said what he did "if he had the information available to the Premier"?

(3) The Premier is quoted as saying in the *Daily News* of the 29th November that "there was no evidence that the money for every project proposed was not available". "I don't know of any instance where capital is not available." How can the Premier reconcile this with the fact that important projects are held up in Western Australia because the conditions laid down by the Commonwealth Government make it impossible for them to proceed?

Mr. J. T. TONKIN replied:

(1) The Minister for the North-West was reported to have said—

I can say unequivocally that without foreign capital our remote areas will not be developed.

My statement that foreign capital was needed and that "W.A. still relied heavily on foreign capital" was made with the knowledge that the the Prime Minister, on the 29th October, 1973, said—

> The Australian Government recognises that foreign investment in Australia is a matter of special significance . . .
>
> We believe that overseas capital must continue to play a significant role in partnership with Australian capital in our future economic growth. There is no general prohibition on foreign investment in Australia.

(2) Yes. Papers are presented for tabling.

(3) I am unaware of any particular project which is not proceeding in Western Australia at present because the Australian Government's rules relating to investment have made it impossible to obtain the required capital.

I should appreciate the Leader of the Opposition informing me concerning the "important projects" which he has said are "held up".

The papers were tabled (see paper No. 538).

5. COMMONWEALTH DELEGATION TO JAPAN

Prime Minister's Statements: Effect

Sir CHARLES COURT, to the Premier:

Is the Premier aware that following the Prime Minister's visit to Japan when certain statements were made by him, the Japanese have publicly announced that because of the situation in Australia they are currently seeking to diversify their source of supply so as to reduce their dependence on us?

Mr. J. T. TONKIN replied:

I am not aware of it, and to the contrary, I have been visited in Perth by Japanese people who were in Japan at the time of the Prime Minister's visit, and who have told me that the statements made by the Prime Minister were acceptable to them.

Mr. Bateman: Hear, hear!

Mr. J. T. TONKIN: If my memory serves me correctly, in the papers I tabled today there is a statement which was made by the Japanese with regard to comments made by the Prime Minister.

Mr. Hutchinson: Somebody is wrong.

6. LAND TENURE

Commonwealth Inquiry: Submission by State

Mr. RUSHTON, to the Minister for Town Planning:

(1) Having regard for the fact that the report of the Commonwealth inquiry into land tenure has been tabled in the Commonwealth Parliament today, has this State Government now made its submission?

(2) If the answer to (1) is "No", when does the department intend to make its recommendation?

Mr. DAVIES replied:

(1) and (2) I understand the report is to be tabled in two parts. I do not know whether a submission was made, and I would like to point out that our State Government was to make a statement of position and not one of recommendation. If the honourable member will put his question on the notice paper, I will obtain the information.

7. COMMONWEALTH DELEGATION TO JAPAN

Prime Minister's Statements: Effect

Sir CHARLES COURT, to the Premier:

(1) In view of the answer given by the Premier to my last question without notice, will he arrange with his office to obtain a copy of the *Nihon Keizai Shimbun* of Sunday, the 11th November, 1973? An article in this publication sets out in very clear terms that the Japanese have, as a matter of deliberate decision, taken action to seek diversified sources of supply.

(2) In view of the fact that the Premier wanted me to name a specific project which is held up because of the Commonwealth policy, I would ask him to comment on the Perseverance mine near Agnew.

Mr. J. T. TONKIN replied:

(1) I will certainly endeavour to obtain a copy of the article, but I would point out that an article in the Press is not proof of the truth of the statements it contains.

Sir Charles Court: You will not be able to ignore this one when you read it. It will concern you as it concerns us.

Mr. J. T. TONKIN: I have other methods to check such matters if I can obtain a copy of the article. I will refer it to a source where it can be definitely checked out. It does not necessarily follow that my check will prove this to be so.

Sir Charles Court: I have simply asked you to look at it.

Mr. J. T. TONKIN: I have said I will endeavour to obtain a copy. Obviously the Leader of the Opposition has sources available to him in Japan which are not available to me.

Sir Charles Court: I will give you a copy. It is a standard publication.

Mr. J. T. TONKIN: That is a different matter. To continue—

(2) I do not agree that the Perseverance project is held up because of a difficulty in obtaining foreign capital. No representation has been made to me in connection with an existing difficulty because capital cannot be obtained.

Sir Charles Court: Surely—

Mr. J. T. TONKIN: I will be very surprised indeed if there is any requirement to lodge the 25 per cent. or 33 per cent. of the capital required for this project. If the Leader of the Opposition will supply me with details in relation to his statement, I will have inquiries made. However, I repeat my earlier remarks: I have no knowledge at all of a single project in Western Australia that is held up because of the inability to obtain the required capital through actions taken by the Australian Government.

Sir Charles Court: You had better have a quick look at this one. There is plenty of publicity in relation to it.

HOUSING AGREEMENT (COMMONWEALTH AND STATE) BILL

Second Reading

Debate resumed from the 14th November.

MR. O'NEIL (East Melville—Deputy Leader of the Opposition) [5.36 p.m.]: This Bill is to bring into operation a new Commonwealth and State housing agreement. Agreements in a similar form have been in existence for some considerable time. In the post-war period, such agreements have operated except for a limbo of approximately 12 months following the change of Government in this State—and not related to the change of Government I must admit—when the Commonwealth Government decided that no longer would it proceed with the same form of housing agreements as in the past.

I know that during the last period of the Brand Government, Western Australia, as well as all the other States, was in some conflict with the then Federal Government in respect of the terms and conditions on which loan funds were made available by the Commonwealth for housing purposes. I stress this term "loan funds" because it is a common misconception that the Commonwealth Government grants money to the States for housing. This it does not do.

The Commonwealth Government makes funds available by way of a loan to the States to undertake housing programmes in the public sector. The terms and conditions on which the money is made available by way of loan are to enable the building of homes for those people on low and moderate incomes.

Before I proceed very much further I would refer members to clause 3 which states—

> 3. In order that the agreement may, as between the Commonwealth and the State, come into force as provided by Part I of the scheduled agreement—
>
> (a) the execution by or on behalf of the State of an agreement substantially in accordance with the form of the scheduled agreement, if not already executed prior to the coming into operation of this Act, is hereby authorized; or

In other words, this provision in fact ratifies an agreement substantially in the form of the attached schedule. However, it goes on further to say that if, in fact, the agreement has been signed, then the Bill ratifies the agreement, and as such, that agreement, being a schedule to the Bill, is not subject to alteration by this Parliament.

Perhaps the Minister will give me a nod if the Premier has already signed the agreement. I see that he has. It is quite clear then that we are not in a position now to amend the agreement. I would like to say quite clearly that I personally would not have been a party to recommending such an agreement to my Premier whilst I was Minister for Housing.

Now the Minister can well say, and he will, that his recommendation to the Premier to sign this agreement on behalf of the State came about as a result of advice received from the same officers who have advised Ministers for Housing in Governments of different political colours over the years. I suppose that would be fair enough. However, quite frankly, I

believe this is one occasion upon which the Minister should have stood out against the signing of this Commonwealth and State housing agreement.

It would not be the first time that one of the States refused to be a party to an agreement, and I instance the State of Tasmania. On that occasion it was not the same type of agreement as the one before us, but it was still a Commonwealth and State housing agreement. Also it would not be the first time that a State Minister had stood up and said, "I will not recommend that my Premier sign this agreement until certain things have been done." In most cases, other than the case I mentioned which occurred in the State of Tasmania some time ago, a compromise has been arrived at in respect of the terms and conditions of the agreement and the Ministers for Housing have then recommended that their Governments sign the agreements.

Before talking about the agreement itself, I wish to say something about the Minister's second reading speech, and I must pay him a compliment by saying he was frank. If members will read the words of the speech very carefully—and I do not necessarily mean reading between the lines—in almost every sentence of the speech they will see a plaintive cry put forward by the officers of the State Housing Commission. I will quote some of the Minister's speech as I proceed, but I wish to enlarge a little upon his remarks in respect of the system of providing housing in the public sector—the system which has existed in Australia for some time.

The Minister told us that initially we had a Workers' Homes Board which was established to provide finance to enable workers to purchase their own homes—the accent at that time was on the word "purchase". Somewhere along the line a benefactor by the name of McNess established the McNess Housing Trust, the funds of which were used to provide very low cost housing—both rental and purchase—for people who were pensioners. A little later on this Parliament passed the State Housing Act to establish the State Housing Commission to absorb the operations of the old Workers' Homes Board. The function of the commission was to use State finances to provide both purchase and rental homes. A little later the Commonwealth Government recognised the need for its entry into the field of housing, and so the agreements known as Commonwealth and State housing agreements came into being—I think about 1946 or 1947.

The principle of the agreements has been that each agreement carried on for a period of five years. Initially the agreements were to provide rental homes, but later on the facility was made available to provide some homes for sale. Later again provision was made to allocate some of the funds to what is called the Home Builders' Account for reallocation to building societies and other approved institutions to enable people on low and moderate incomes to have access to reasonably cheap finance. This enabled such people to have a wider choice of homes than that available through the State Housing Commission.

Members will appreciate that if one elects to obtain accommodation assistance from the State Housing Commission, the choice of dwelling one purchases must be restricted. The commission cannot build to everyone's designs and desires. Another restriction is placed on the area in which the commission can build homes, and I believe this is fair enough too. Therefore, if a person on a medium or moderate income desires assistance from the State but also desires a choice of location as well as type of home, then he can obtain financial assistance from a building society through funds made available from this Home Builders' Account maintained by the State Housing Commission.

So we have seen a transition in many areas from the straightout Workers' Homes Board to a fairly complex type of housing operation involving Commonwealth and State housing agreement funds; involving funds made available through the Home Builders' Account and the like. I should say here, too, that in the second last year of our term of office the McNess Housing Trust was absorbed into the State Housing Commission, because it was found that the terms and conditions upon which the accommodation under this trust could be made available—I think it was 75c a week for rent—were such that the trust was not even able to cover its operating expenses. So it became necessary—and Parliament agreed—that the concept of providing housing for this particular group of people should be maintained under the Commonwealth and State housing agreement, and that the operations of the trust should be absorbed within the total operations of the State Housing Commission.

I am reminded again that we made a promise we would find some way by which to commemorate the name of McNess; in other words, that one of the blocks of flats for the aged people eligible to come under this trust should be named after McNess. However the circumstances of the time did not enable me to fulfil that promise, because I am now on this side of the House instead of the other. So I ask the Minister once again to remind his officers of this undertaking I made when Minister for Housing that we should commemorate the name of this great benefactor, McNess. I trust that something will be done about that. I think I have mentioned it on at least one occasion since the change of Government.

Concurrently with the State Housing Commission administering the Commonwealth and State housing agreement, the commission operates another fund under the State Housing Act which has replaced the old Workers' Homes Board Act, so there is a multiplicity of operations conducted by the commission. Firstly, it operates under the Commonwealth and State housing agreement and, more recently, by means of funds from the Commonwealth allocated to the building societies and to the fund administered under the State Housing Act.

During the period I was Minister for Housing a very complicated system of accounting was used because so many funds were operating, each for different purposes; each with loan funds obtained for different purposes; and each with loan funds obtained at different interest rates. To say the least, it was a complex accounting problem to be able to maintain the commission's operations efficiently. Many alterations were made. Under the old Commonwealth and State housing agreement the eligibility was determined by the commission and, in fact, followed the eligibility for applicants laid down under the State Housing Act. There was a complication here in that under one set of circumstances the eligibility of an applicant was based on his income at the date of allocation of accommodation; whereas under the State Housing Act the eligibility was determined as at the date of his making the application.

So we had a ridiculous situation in which an applicant who wanted a house could have the choice of two precisely the same, but because one was built by funds made available under the State Housing Act he was not eligible for it, but if the house was built under the Commonwealth and State Housing Agreement Act he was. So action was taken to ensure a standard eligibility factor in regard to any kind of assistance from the State Housing Commission; whether the house was built with funds made available under the Commonwealth and State housing agreement, or whether it was built with funds made available under the State Housing Act.

At this stage perhaps it is important to explain the difference. Under the old Commonwealth and State housing agreement the Premier of the State at the Loan Council meeting would make a determination as to how much of the funds from the housing and works programme would be allocated to housing, and that was granted to the State at a concessional rate; 1 per cent. below the rate for the long term. This was a gesture by the Commonwealth Government to enable houses to be built at a cost lower than usual, but it was up to the Premier of the State to determine how much of the funds allocated for housing and works went to housing. He was the one who made that determination.

In addition, the commission could borrow money under the State Housing Act, but this money was borrowed at a much higher interest rate; it was borrowed at the ruling bond rate. Another difference was that under the Commonwealth and State housing agreement funds were borrowed over a period of 53 years, and the money borrowed under the State Housing Act was at a much higher interest rate, so any building conducted under the State Housing Act was a much more expensive proposition than under the Commonwealth and State housing agreement.

However, a move was made by the commission to try to blend these operations into one complete smooth accounting operation by amalgamating all of them.

The SPEAKER: I must ask members to be quiet.

Mr. O'NEIL: An endeavour was made to get rid of the distinction between houses built from funds under the Commonwealth and State housing agreement and those built from funds under the State Housing Act, because they were built by the same people, to the same design, and virtually at the same price. The only difference was that because of the method of financing them the loan structures had to be different. So endeavours were made to simplify the accounting procedures to ensure there was no difference between houses built under the Commonwealth and State housing agreement and those built under the State Housing Act, and so on.

Bit by bit the commission was moving towards a much more streamlined operation, but now—and the Minister has expressed his regret in regard to it—all that work has gone for nought. The terms and conditions under which funds will be made available to this State are such that all the endeavours of an extremely efficient commission to streamline its operations are of no avail and it will be reverting to a multiplicity of accounting systems, and a differential of eligibility in allocation, and I am not sure this will make for greater efficiency within the commission.

Of course, the commission has had to undertake a further responsibility—

The SPEAKER: Order! Members will please be quiet.

Mr. O'NEIL: The commission has had the added responsibility for some little time to provide housing for our native people, whereas in the past the commission was simply the building agent for the then Native Welfare Department, and it was that department that looked after the allocation of the homes to natives. This

responsibility has now been assumed by the State Housing Commission, and whether or not that is a sound move only time will tell. However, it is probably one of the moves which enables the Minister to say that, despite Western Australia receiving less money under the Commonwealth and State housing agreement than before, the commission will probably be able to resist reducing the building rate.

I mentioned that the Minister was very frank in his speech. He went on to say that in answer to a question asked some time ago he indicated that when the Budget Bills were introduced we would get more details of the commission's programme. That was not to be. In his Budget speech the Premier did not make much reference to the commission's operations, but I have to admit that in respect of the introduction of this agreement the Minister has given quite an amount of detail.

Throughout the speech by the Minister one can sense the frustrations of some excellent officers of the State Housing Commission, and I will refer to some of the comments that have been made. Firstly, the Minister referred to major changes introduced by the new agreement. That is an understatement. I believe there are many major detrimental and serious changes in regard to making houses available under this agreement.

The early part of the Minister's speech virtually covered the history of housing development in the public sector and, in the main, as I said previously, he was perfectly frank. He clearly indicated the way funds are to be allocated. I think every Australian has a right to be proud of the stress that is placed on home ownership. The present figures show that between 75 and 80 per cent. of people occupying houses in this State are purchasing them. This is a remarkable figure when looked at in the light of figures available in other western democracies. It is a very high figure indeed.

However, I also understand that there is an increasing tendency for this high figure relating to home ownership to fall, and in my opinion the new provisions under the agreement set out in this Bill will make it fall further.

At this stage the Minister did present to us some figures relating to the provisions governing the financing of housing in the public sector. He quoted in total the figures for 1970-71 which members will recall was the last year in which my Government was in office. He briefly brushed over the figures of 1971-72. There was good reason for that, as that was part of the period when no housing agreement was in operation. He then quoted the figures for 1972-73 and 1973-74, but basically, even though there was no arrangement over these periods, the format for financing the operations of the commission was much the same.

In analysing the figures for 1972-73 it is of interest to compare the figures for 1970-71. In 1970-71 the amount of funds made available for the commission's own operations—not acting as a building agent for other departments or for the Commonwealth—was $32,520,000. Those figures were obtained from—

	$
Commonwealth and State housing agreement	12,500,000
General Loan Fund borrowings by the commission on its own account	5,000,000
Debenture borrowings	2,025,000
Internal funds generated by the commission by virtue of its operation in the field of developing land and by the sale of its houses	12,995,000
Total	$32,520,000

I suppose to that figure we could add $10,000,000 or $15,000,000 for the operations of the commission in other fields of housing—houses built specifically for the commission's applicants. Of this amount $3,750,000 was allocated to the Home Builders' Account to be allocated specially to approved institutions such as building societies or people who wanted that cover.

It also gives those people a choice of design and location as I mentioned before. The figure of $3,750,000 is, in fact, 30 per cent. of the funds made available under the agreement which in 1970-71 amounted to $12,500,000. This represented a fairly substantial building programme. That came at a time when the provision of housing had been under colossal pressure because of development more or less under boom conditions and the like, but also at a time when one could see a period of stability approaching.

In 1972-73 the amount of money made available by the Commonwealth under the agreement was $21,000,000 compared with $12,500,000 in 1970-71. This was a substantial increase.

In the course of his speech the Minister brought to our attention the fact that even though $21,000,000 was the amount asked for and allocated, this was reduced during the year to $15,000,000. The amount from the General Loan Fund was correspondingly reduced—by the Under-Treasurer, I presume—to $400,000 compared with $5,000,000 for the year 1970-71.

The amount borrowed by way of debentures was $3,600,000 in 1972-73 compared with $2,025,000 in 1970-71, and the amount allocated to building societies was

$6,300,000. That resulted, of course, in a net amount of $22,370,000 being available to the Housing Commission for its own operation, which was a reduction of $6,000,000 in two years.

I wish to draw attention to a very interesting feature. In 1970-71 from its own operations the commission was able to generate funds to an amount of $12,995,000, which is near enough to $13,000,000. In 1972-73 the amount had dropped to $9,670,000.

Mr. Bickerton: You built the wrong accommodation.

Mr. O'NEIL: This represented a substantial fall in the ability of the commission to generate funds.

Mr. Bickerton: You built some accommodation which you jolly well know you could not occupy if you tried.

Mr. O'NEIL: Let us accept that the Minister is right, although he is not. In 1973-74, after he had had two years in which to build the right type of accommodation which people will occupy—

Mr. Bickerton: We had to use what you built.

Mr. O'NEIL: In 1973-74, when the Minister had had two years in which to build the right type of accommodation, one would imagine that the capacity of the commission to generate funds would increase, but, according to his own figures, all the Minister has been able to obtain from the operation of the commission to supplement his housing fund is $8,350,000—a drop of $1,300,000.

Mr. Bickerton: I am still trying to fill your inadequate accommodation.

Mr. O'NEIL: Then why build any houses?

Mr. Bickerton: We must do that.

Mr. O'NEIL: Why?

Mr. Bickerton: To give people the choice, but I am endeavouring to look after some of those flats you left, not that I like to mention this because, after all, you did what I would have done.

Mr. O'NEIL: I would like to ask the Minister for Housing: Is the Housing Commission still building flats? The answer is "Yes". Perhaps I would not build another block of flats like the Bentley Towers.

Mr. Bickerton: I would agree with you. You have learnt your lesson and so have I.

Mr. O'NEIL: I hope the day will never come when we have to do it again, but I have seen what is occurring in other States, particularly New South Wales and Victoria, where 31-storied blocks of flats are being built because there is no alternative. That is the position in which I hope no Minister for Housing here will find himself again.

Mr. Bickerton: I agree with you.

Mr. O'NEIL: I say that it was good politics at that time to talk about high density housing when in fact anything of eight or 10 storeys high is only medium rise rather than medium density housing. Let us have that argument behind us. Perhaps in hindsight I would not have done that.

Mr. Bickerton: I go along with you. I would have done the same thing under the circumstances, but we have lost as a result.

Mr. O'NEIL: The private sector has not been inhibited in building high or medium rise development because of the failure—if it is a failure—of the Bentley flat project. I hope we have covered that fairly accurately.

I want to deal with some of the comments made by the Minister during his speech. I object to one aspect. I do not know whether I am over-sensitive about names, but the Federal Government seems bent on changing names. I noticed that a Bill was introduced into this Parliament to establish an estuarine conservation and management authority which will be known by the abbreviated name of E.C.M.A., which is the system adopted by the Americans. I do not go along with it very much, but perhaps I am oversensitive.

Nevertheless, I do object to the fact that people in Western Australia, who must seek assistance from the public sector, are being put into what the Commonwealth—and now the State under the agreement—is pleased to call welfare housing. How would any one of us like to have to say that he lives in a welfare house? It used to be a stigma to confess that one lived in a State house, but that was accepted. Surely the word "welfare" is a lot worse. It is to me, anyway. It reminds me of that song which commences, "My old man's a dustman; he lives in a council flat." Unfortunately there is a slur straightaway.

Why the Commonwealth should persuade itself to talk about welfare housing rather than State housing, I do not know. No-one likes to feel he is subject to some form of welfare assistance.

I notice now, too, that I no longer pay instalments on my war service home, but on my defence service home. It reminds me of some enthusiasts during the war, in the early stage of which there used to be a weapon called an anti-tank gun and there was an anti-tank rifle. It was a defence against a tank. Some nut had the bright idea that we had to be aggressive and so the name was changed to tank attack. I found myself in charge of a communication section with an attack aircraft battery and not an anti-aircraft battery.

I do not know the purpose behind the Commonwealth's changing of names. Perhaps if it can obliterate everything we traditionally take for granted and start again, it will be happy. That might be its idea.

I am sure that not one of us here believes that to call State housing accommodation welfare housing is a move in the right direction. But that is what is being done. People who live in State houses will be regarded as living in welfare houses and to me that is an insult to our population.

Mr. Bickerton: It means that you fare well!

Mr. O'NEIL: Earlier I mentioned that I would deal with some of the comments made by the Minister. I wish to quote some of them to indicate the attitude and difficulties which his officers must have experienced when reaching some form of an agreement. The Minister said—

> The Australian Government indicated quite strongly it was not prepared to carry on the housing assistance grant procedures—

They are the procedures which existed between the agreements. To continue—

> —but wished to have a housing agreement which would place the emphasis on provision of welfare housing and specifically make a greater contribution to the provision of rental housing for needy persons. The agreement now before the House for ratification is the result of several ministerial meetings and protracted negotiations.

If the Minister was in any way responsible for protracting those negotiations, I congratulate him, because the initial ideas of the Federal Government in respect of housing simply shocked the nation. Mr. Johnson, the Federal Minister, whom I have met and found to be quite a pleasant fellow to speak to, publicly stated that he would like all houses built by the State to be for rental purposes only. That was the idea at the commencement; that is, no houses would be built for sale. No-one would be able to buy a house from the State. However, that idea was broken down a little, but not very much. The Minister's speech contains a comment which indicates quite clearly that that is not good enough for Western Australia in his opinion, or that of the Housing Commission.

I wish to deal with some of the provisions which are contained in the new Commonwealth and State housing agreement. The first one I agree was fought for by all State Housing Ministers before the change of Government in Western Australia. It was that housing funds should be available at 4 per cent.—and not at any other rate—rather than at 1 per cent. below the long-term bond rate. We tried very hard to have this agreed to on the basis of 4 per cent. for the duration of the loan. However, State Ministers have been able to obtain a guarantee that the interest rate will not move from 4 per cent. in respect of loans raised—at least during the currency of this agreement. Consequently for five years any moneys borrowed now will be at 4 per cent. for the purpose of State housing. That was an achievement, but to my mind it was about the only one.

There is a provision that funds made available to building societies through the Home Builders' Account will also be at a concession interest rate of 4½ per cent. That is a little dearer, and in respect of this provision I have some questions a little later.

I understand that the maximum rate permitted to be charged for these funds by a building society is 5¾ per cent. I wonder what the commission in Western Australia charges for making these funds available to the building societies. The funds are made available at 4 per cent. by the Commonwealth to the State. Before it passes the funds onto the building societies the State must charge an interest rate for administering the Home Builders' Account, and that is usually about ½ per cent., which brings the total to 5 per cent. Then the building societies are not permitted to charge more than 5¾ per cent., so that leaves them ¾ per cent. for administering the actual allocation and repayment. Whether the Minister has granted a special concession in the interest rates he charges the building societies, I do not know.

Another point is made in the Minister's speech. The amounts advanced each year are no longer determined by the State Treasurer as part of the works and housing programme. It will be recalled that this was so in the past. At a Loan Council meeting the Treasurer of the State would take unto himself a certain amount of money and allocate from that the money for the housing fund. This is not to be done any more.

The amounts advanced each year are no longer determined by the State Treasurer as part of the works and housing programme. Instead the State Minister is to indicate the required sum which will be finally determined by the Federal Minister. So the Minister for Housing in each State will indicate to the Federal Minister that he requires X-million dollars, but how much he receives is determined by the Federal Minister.

In the past it has been a matter of argument between the Minister for Housing and his own Premier and Treasurer, but this arrangement will be no more. The Federal Government will have the final say as to how much money is available to Western Australia for housing. The

advances are outside the works programme, but will be taken into account in Loan Council deliberations. On top of that the Commonwealth now determines the eligibility of applicants and has established a means test.

Mr. Bickerton: That is not right. What it has determined is the eligibility for anyone who wants to utilise the 4 per cent. money.

Mr. O'NEIL: That is right.

Mr. Bickerton: It has not determined the eligibility. It has just said to every State that if it wants the Commonwealth's 4 per cent. money, these are the terms and conditions.

Mr. O'NEIL: I am talking about agreement funds, not anything else. In respect of the funds under the agreement the Commonwealth lays down the eligibility.

Mr. Bickerton: But it has not laid down the eligibility as far as the States are concerned.

Mr. O'NEIL: No. As far as any money the State likes to raise at 10 per cent. is concerned, the State can create its own eligibility, but in respect of the agreement funds the Commonwealth determines the eligibility.

Mr. Bickerton: For the 4 per cent. funds.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. O'NEIL: We were discussing broadly some of the provisions of the new Commonwealth and State housing agreement, and I was indicating those to which I raised some objection. We were discussing, in fact, the situation that to funds made available under the Commonwealth and State housing agreement there should be applied a means test or a needs test which should be determined by the Commonwealth Government.

It is true, as the Minister interjected, that in respect of other houses built by the commission from funds from its own resources this test need not apply. But this will have a very serious and disturbing effect on the system of allocation of houses by the State Housing Commission.

I mentioned in a previous agreement that not less than 30 per cent. of the agreement funds were to be made available to approved institutions, such as building societies, in order that people who did not want State Housing Commission assistance could exercise their choice of design and location with funds they could obtain from building societies.

The provision in this agreement is that not more than 30 per cent. may be so allocated, and then only to approved institutions or terminating societies—which discounts completely those which are called permanent building societies—and certainly not less than 20 per cent. may be so allocated.

So there is rather a disturbing change here; although I am prepared to concede that the permanent building societies are operating so well that it may well be that they require no assistance now from the Home Builders' Account fund in order to keep them operating. In fact it could be said that to a degree these permanent building societies could be embarrassed by having available funds at relatively low interest rates as compared with the money which they must make available from their own resources.

I say that because the Home Builders' Account funds are limited, and if it is found that a certain building society made a loan available to one individual at 5¾ per cent. and the next person had to pay something like 7 per cent. or 8 per cent. the building society would be embarrassed; because it would be extremely difficult to explain to the second applicant that the funds were derived from a different source. But still I think we should have maintained not less than 30 per cent. of the funds to the terminating societies. These are essentially co-operatives as are, of course, the permanent building societies.

I think, however, that terminating societies are run in many cases by unions—the Police Union, the Teachers' Union, and others. Quite a number of these are small societies administered in some cases by unions and in some cases by accountants, but many are designed to assist members of the particular union. In fact the Trades and Labor Council, since the advent of this Government, has gone into the field of home finance with considerable assistance from the State Government from the Home Builders' Account.

Having disposed of not less than 20 per cent. nor more than 30 per cent. of the home allocation under the loan agreement the commission then uses the balance to build houses for its own applicants.

I come now to another restriction within this agreement with which I disagree violently; which is that of all homes built with the balance of the funds not more than 30 per cent. may be sold. Surely here is a situation with which not too many Australians would agree. In his own speech the Minister has said that past experience clearly indicates that the demand for purchase homes from the State Housing Commission is from not less than 50 per cent. of the applicants.

I think the Minister is being a little conservative, because it is my experience that the commission was selling in round terms something like 60 per cent. of its product; and when one can promote 60 per cent. of home ownership to those people who are assessed to be on a low or moderate income surely this was a very good effort indeed.

However, under the new arrangement dictated by the Commonwealth Government, not more than 30 per cent. of the

homes built may be sold. To me that is patently unfair. On top of that is a proviso—which I have heard members of the Government when in Opposition sponsor—that if a purchaser of a State home, now to be called a welfare home, desires to sell it, he must sell it back to the State Housing Commission within the first five years. He must dispose of the property back to the State Housing Commission; whether the commission wants it or not, by the way.

Mr. Bickerton: It says they have the first refusal.

Mr. O'NEIL: The Minister said in his second reading speech—

> of the dwellings constructed with the balance, not more than 30 per cent. may be purchased. Any purchaser wishing to dispose of the property within five years must sell to the Housing Commission and, after that period, may be required to give the commission first option to purchase;

Mr. Bickerton: You are somewhere nearly correct.

Mr. O'NEIL: I have read precisely what the Minister said in his second reading speech, and this is in the agreement.

Mr. Hutchinson: He is right, sometimes.

Mr. O'NEIL: The speech is correct, and the agreement is correct. There was some suggestion in the past that this should be the general rule, but it was clearly pointed out that this sort of proposition does not increase the housing stock. If a person wants to dispose of a State Housing Commission home which he is in the process of purchasing, and he sells it to somebody who would not normally be eligible for a State Housing Commission home then, firstly, under that provision the person who sold the home would not get assistance from the commission and, therefore, he would not create a demand on the commission's resources; but a further home is made available.

If the commission has to buy back the house on the terms and conditions which the agreement lays down, then the person has little chance of profit from the equity he may have achieved. It does not increase the housing stock.

Mr. Bickerton: You may say that, but look at it in the overall. What you are endeavouring to do when you have a State-Commonwealth agreement is to come up with an agreement that suits all States; and we, unfortunately, on the purchase side would be perhaps a little behind the black ball on the ground that New South Wales, Victoria, and so on, are in a situation where they have sold homes in the past and they can no longer buy back that land except at a high profit indeed. So this provision is put in. You cannot have an agreement that applies to one State only; it must apply to all the States.

Mr. O'NEIL: The Minister has defeated his own argument, because Tasmania has negotiated within the agreement a proposition that it will sell 50 per cent. of the houses built in the first year of the agreement.

Mr. Bickerton: That is only a specific instance; do not use it as a general instance, because it was a specific area of sale.

Mr. O'NEIL: I will quote from the agreement in a moment, because I have said if it is good enough for Tasmania why is it not good enough for us? In his speech the Minister said that past experience in Western Australia has shown that to sell 50 per cent. of the housing production is not unreasonable; and this is the experience at the moment.

However, in this agreement, which has been signed by the Premier on the recommendation of the Minister for Housing, not more than 30 per cent. of the houses built with the agreement money may be sold. In addition, the agreement lays down a formula for assessing the price of any new house to be sold by any person who buys it from the commission.

Whether that formula is fair or not I do not know. It is certainly fair to the commission, but it does not give the purchaser any opportunity to recover what would be a reasonable profit—if that is the right expression—in respect of the improved value of the dwelling which has occurred while he has been the owner.

There is another point where the agreement and the Minister's speech are in conflict with what is generally understood. There is a general misconception with respect to the commission providing amenities relating to housing. When Mr. Johnson—the Federal Minister for Housing—was first appointed he made great play of that fact; and the member for Balcatta, who is not here at the moment, will recall that during the by-election a great deal of noise was made about the lack of the community-facility aspect in Housing Commission areas.

The Housing Commission—as is the case with every developer—provides sites for community recreation purposes—for churches, kindergartens, infant health clinics, and the like—and it has always been—or up to date it has been—the responsibility of the local authority to improve those sites; to place buildings on them and to develop parks, reserves, and so on.

I have been one of the first to admit that with the rapid expansion of commission residential areas some local authorities may not have the financial capacity to keep up with the development. The same thing happens with shopping centres, to the point that at one stage the Housing Commission built—and I think they are still in existence—some five or six transportable shops, which could be made to

cater for the immediate needs of a newly-developed community, until such time as the standard type shopping centre was supplied.

In his statement relevant to the new agreement Mr. Johnson said it would be the responsibility of the housing authority to provide, with agreement funds, some of these essential amenities. This is what the Minister said—

> With the approval of the Federal Minister, funds under the agreement may be used to provide bridging finance for provision of community amenities which are not the responsibility of a developer.

I think that should be made well known to the people who imagine that in the future the State Housing Commission will build halls, kindergartens, and infant health clinics. The State Housing Commission, with the approval of the Federal Minister, may provide bridging finance. We all know that is purely a temporary arrangement which may be made until such time as the responsible local authority can find the money. So under this agreement no public amenities, such as halls, will be provided other than by way of a loan from the State Housing Commission, rather than a cash grant.

Mr. Bickerton: No. What he said was that the 4 per cent. money—

Mr. O'NEIL: We are speaking only about the 4 per cent. money. This agreement has nothing to do with any of the financial resources of the commission other than Commonwealth agreement funds. I know very well what he said. I have watched this matter very closely because I was interested in the form the new agreement would take.

The point has been made—and the Premier might be interested in this—that in future rental activities must be reviewed annually, and rent adjustments will be made annually.

Mr. T. D. Evans: Rent reviews annually.

Mr. O'NEIL: If the Attorney-General thinks any rent review will mean a decrease in rent, he has another think coming.

Mr. T. D. Evans: It may mean no change at all.

Mr. O'NEIL: I grant that, but the current situation in respect of the commission's rental account is that last year it lost $1,750,000. I can remember that the Premier, when he was either the Leader of the Opposition or the Deputy Leader of the Opposition, took me to task when I endeavoured to adjust rents in order to keep this account in perspective, because under the old agreement there was ability to claim losses from the Commonwealth, provided all other things were equal.

Mr. J. T. Tonkin: What about the profit the State Housing Commission makes on the sale of properties and land?

Mr. O'NEIL: There will be very little of that in the future. The Premier might not have been here when I mentioned that in 1970-71 the internal funds of the commission amounted to $13,000,000, in round terms, from the sale of properties and land. This year it is expected the return from that will be $8,350,000, which is a drop of nearly $5,000,000.

Mr. Bickerton: You do not know what we have up our sleeve.

Mr. O'NEIL: I am only going on the figures the Minister provided.

Mr. J. T. Tonkin: It is still a substantial profit and it more than offsets the loss on rentals.

Mr. O'NEIL: The overall picture must be looked at. In my day the commission was making approximately 2¼ per cent. on its capital investment—probably a little less than that. I made the point that had I been a general manager of a company which made that kind of profit on an investment of $480,000,000 I would get the stick from the investors.

Mr. J. T. Tonkin: You have the capitalist point of view. We have the point of view of service to the people, and this is a State instrumentality which does not exist for the purpose of making a profit.

Mr. O'NEIL: Can the Premier tell me how we are giving service to the people when—again quoting from answers to questions—the number of rental homes it is proposed to build this year under the agreement is between 550 and 600 for the whole State? In 1970-71, the number of rental homes built in the whole State was 2,444.

Mr. Bickerton: And we are trying to fill your mistakes. We are trying to look after them.

Mr. O'NEIL: How does the Government service the people when the number of rental homes it is proposed to erect right throughout Western Australia this year is no more than 600, while in our last year in Government it was 2,444?

Mr. Bickerton: You know the reason. Do not be naive. You know very well you had a boom when you stacked up high density flats. You could not fill them. We still cannot fill them. And surely a boom eventually comes down to a levelling out.

Mr. O'NEIL: There is a levelling out, all right.

Mr. Bickerton: There is a levelling out and the waiting list is shorter than it was when you were the Minister for Housing.

Mr. O'NEIL: There could be some reasons for that. I will allow the Minister to go into it.

Mr. Bickerton: Find your own reasons. I am telling you the truth.

Mr. O'NEIL: I spoke about the needs test; it is really a means test. Previously, the State was divided up into several areas for purposes of eligibility for State Housing Commission houses; namely, the metropolitan region, the South-West Land Division, north of the 26th parallel, and, I think, another area. According to the rate of earnings of people in those areas, so the eligibility figure for assistance from the commission varied. During the term of this Government, instead of that figure being incorporated in a Statute it has now been made variable according to a determination of the commission, which every so often will sit down and determine a fair figure for eligibility on the facts known to it. This has been done, and if we look at the metropolitan area we find that the eligible earnings under the State Housing Commission Act for a four-unit family—that is, a man, his wife, and two children, which is an average type family—are currently $113 a week. So any person earning up to $113 a week is entitled to assistance from the State Housing Commission.

Mr. Bickerton: Excluding overtime.

Mr. O'NEIL: That is right—not counting any overtime, and it refers to the breadwinner. If the wife works, her earnings are not counted. The eligible earnings refer to the income of the main breadwinner. Any breadwinner who earns $113 or less as his normal wages is eligible. Under the provisions of the agreement now before us, that figure will be $88 a week.

The Minister has admitted that under these circumstances some 10 per cent. of applicants presently listed will not be eligible for these houses. I hasten to say they will be eligible for other houses, but people earning more than $88 and less than $113 a week in the metropolitan area will not be eligible for houses built with the 4 per cent. money, which in future are to be called welfare houses—and they may well be grateful for that fact. Those people will be provided by the commission with accommodation built with other funds, which will be much more expensive accommodation.

There are other details concerning eligibility, and the one I mentioned before is that under the agreement we have reverted to the situation where eligibility is determined at the date of allocation of the dwelling. This principle operated for some years while we were in Government, and I saw in it a disservice to the applicant. If the Government could not meet an applicant's requirements within a reasonable time and the applicant found during that time his income had risen to a point where he became ineligible for a house, I felt that was patently unfair. It was not the applicant's fault that he was ineligible; it was essentially the fault of the commission or the Government for not being able to meet that man's demand in a reasonable time.

We altered that situation and said, "From now on eligibility for State Housing Commission assistance will be determined at the date of application, and the eligibility and right to be assisted will remain." That has been changed because of the terms and conditions of this agreement.

Mr. Bickerton: Do you believe, then, that if a man applied at a time when he was earning $80 a week—just to use a figure—and when a house became available he was a millionaire, he should get a State Housing Commission house?

Mr. O'NEIL: He would not want one, of course, but if he had to wait until he was a millionaire the State Housing Commission would be falling down on the job.

Mr. Bickerton: Under your Government he had plenty of time to become a millionaire.

Mr. O'NEIL: I am prepared to agree, and that is why we said it was not the fault of the applicant that he became ineligible; it was the fault of the Government. We therefore said, "Once you have established your eligibility, it remains."

Mr. Bickerton: Do you mean to tell me that if a person applies for an old-age pension, and prior to being granted a pension he suddenly comes into a large sum of money which puts him outside the eligibility provisions, he should still get the old-age pension?

Mr. O'NEIL: No, I do not. I do not think that argument has any bearing upon this matter.

Mr. Bickerton: I think it does.

Mr. O'NEIL: I had experience of a situation where an applicant applied for a State Housing Commission home. He was eligible and he was told he was eligible. He was told the waiting time was two years, 2½ years, or three years. That fellow remained where he was, carefully saving his money in order to be able to buy furniture for the house he would be buying or renting, and when the three years expired he wrote to the commission saying, "My turn has been reached. Where is my house?" The commission wrote back asking, "What is your income?" Upon receiving that information, the commission replied saying, "You are receiving 2s a week more than you should be, so you cannot have a house." That fellow was waiting patiently for three years. Whose fault was it that he became ineligible? It was the fault of the Government which could not meet his demand in a reasonable time.

Mr. Bickerton: By that time the eligible wage would have gone up.

Mr. O'NEIL: It did not in those days.

Mr. Bickerton: Of course it did. You made sure it did.

Mr. O'NEIL: In his own speech the Minister talks about the complication created by virtue of this provision. I make the point that after a great deal of argument the Commonwealth has set a higher eligibility factor for the area north of the 26th parallel and a strip which runs roughly from Esperance to the goldfields area, but for the South-West Land Division and the metropolitan area the eligibility figures are the same, and previously there was a difference because people need more money in order to live in the country.

Mr. Bickerton: The eligibility is no different. I have been trying to tell you the eligibility is for the 4 per cent. money.

Mr. O'NEIL: I am talking only about the 4 per cent. money with which the agreement before us is concerned, and I have said several times that I appreciate there is a prospect of these people being assisted with houses built from other funds—funds on shorter term and on the long-term bond rate. If the Minister charges an economic rent on those funds, the rent will be higher. I have said when we previously operated the agreement funds and the State Housing Act funds, and amalgamated them, they were operated simultaneously; but the Minister says the commission now has to revert to the old system of funding and accounting the houses.

Mr. Bickerton: I do not think that will be a big problem.

Mr. O'NEIL: The Minister should read his own speech because it is pointed out as being one of the difficulties in operating the new agreement.

Mr. Bickerton: All right; it is a difficulty. I said it would not be a big problem.

Mr. O'NEIL: This is what the Minister had to say in relation to the system of accounting and eligibility—

> Taking these two aspects of eligibility together, it is obvious there will be a number of applications which meet the State Housing Act requirements—

We are not talking about the agreement. He continued—

> —but which could not be accepted under the housing agreement. Therefore, it is necessary to return to the system in use prior to 1971-72 and provide to the Housing Commission funds from State sources as well as funds under the agreement.

So we are going to operate two funds again, which from the point of view of efficiency, management, and operation the commission was anxious to avoid. It tried to amalgamate all these sources of funds and operate the commission as one body.

Mr. Bickerton: I still do not think it is difficult. I have not had one resignation from my department.

Mr. O'NEIL: I do not think that is an argument. Has the Minister put on any more staff? That is the important question.

Mr. Bickerton: Not up to date, but I am thinking about it.

Mr. O'NEIL: I have mentioned that eligibility is to vary between different parts of the State, and without the flexibility which existed previously. The Minister went on to talk about the discussions which were held with the Federal Minister in respect of having different eligibility figures for different parts of the State. At first the Federal Minister apparently would not wear that at all; he did not have an appreciation of the fact that incomes in the north are higher—and ought to be higher still considering the cost of living there—than they are in the south. So the Minister in his speech detailed the various problems which were raised, and finished up by saying—

> After protracted negotiations extending over some months, I am able to say we have met with some success.

That shows just how much the Minister and his officers were concerned about this matter of eligibility. If I know aright it was one of the main points which delayed the State entering into this agreement.

Mr. Bickerton: What is wrong with protracted negotiations?

Mr. O'NEIL: It illustrates the difficulty that was experienced. The Minister went on to say that it has been agreed that the 85 per cent. figure for families—that is, 85 per cent. of average weekly earnings in respect of eligibility—will be increased to 120 per cent. for the north-west, and 110 per cent. for other remote areas. I make the point that the South-West Land Division and the rural areas of the State will now be under the same figure for eligibility for assistance as the metropolitan area; and that has not been the case in the past. A different system has operated.

I have referred to the difficulties of reverting to the dual funding system, and the Minister mentioned several of the reasons. He referred to the complications, the restrictions, and the restraints in the agreement. Those words were used right throughout his speech.

I have been talking about the desirability of people owning their homes, and I have referred to the experience of the commission. I would do well to read from the Minister's speech again as follows—

> For many years, the Housing Commission has endeavoured to provide a balance between purchase and rental in the light of housing needs of applicants and the varying circumstances in metropolitan and country areas. While the proportion has naturally varied from year to year, it would be

> fair to say that by and large there has been over recent years about equal numbers of both purchase and rental units.

I think that is a fairly conservative estimate. It was my experience that very close to 60 per cent. of the commission's stock was purchased. However, the experience of the commission over the years has indicated that at least 50 per cent. of its housing stock is bought by eligible applicants. When one has regard for the fact that few people in country towns buy houses, I think my figure of 60 per cent. would certainly apply to the metropolitan area. Probably it is even higher, because one must bear in mind that not a great number of Housing Commission applicants buy houses in the smaller country towns. Certainly they may do so in some of the larger towns, but I would hazard a guess that in the metropolitan area the demand for purchase homes would be in the vicinity of 70 per cent. of the stock.

However, under the agreement the commission may not sell more than 30 per cent. of the houses built with these funds. The Minister went on to say—

> If this general policy is to continue —and there seems no compelling reason why it should not—then it is necessary to have more flexibility than is provided by the limit of 30 per cent. purchase dwellings imposed by the agreement.

I ask you, Mr. Speaker, to listen to those words; they are the words of a frustrated Minister.

Mr. Bickerton: Oh!

Mr. O'NEIL: The Minister said it is necessary to have more flexibility than is provided by the limit of 30 per cent. imposed by this agreement.

Mr. J. T. Tonkin: If you had been the Government, would you have signed the agreement?

Mr. O'NEIL: I said when I commenced my speech that I would not have recommended that my Premier sign it.

Mr. J. T. Tonkin: You would have been the only Government that didn't.

Mr. Bickerton: Even Mr. Dickie signed it.

Mr. O'NEIL: I will tell the Premier something else; he may not have been here when I referred to this matter previously. Tasmania has successfully arranged—and I will admit it is the only State to do so—to sell 50 per cent. of the houses built within the agreement.

Mr. Bickerton: You know the reason, don't you?

Mr. O'NEIL: I will read clause 19 (2) of the agreement, which appears at page 13 of the Bill.

Mr. Bickerton: You know the reason.

Mr. O'NEIL: It is as follows—

> (2) In the case of the State of Tasmania the percentage of family dwellings referred to in subclause (1) of this clause that may be sold shall not exceed—
>
> (a) during the year commencing on the first day of January, 1974—50 per centum; and
>
> (b) during the year commencing on the first day of January, 1975—40 per centum.

Now, if Tasmania—a Labor State—was able to negotiate for the sale of 50 per cent. of the houses built under the agreement, where were we when the agreement was being bashed out?

Mr. Bickerton: I wonder where Victoria was.

Mr. O'NEIL: I do not know about Victoria, but certainly the experience of the commission in this State is that there is a demand for the purchase of 50 per cent. of the houses built; and the Minister himself said that.

Mr. Bickerton: But, Desmond, you could not sell them.

Mr. O'NEIL: If the Minister says he could not sell them—

Mr. Bickerton: You are reading my speech; what about making one of your own?

Mr. O'NEIL: The Minister said that the experience in the past was that there is a demand to sell 50 per cent. of the houses. He also said, "If this general policy is to continue—and there seems no compelling reason why it should not—then it is necessary to have more flexibility than is provided by the limit of 30 per cent. purchase dwellings . . ." He said we will have to use a double funding system to build more purchase homes with dearer money.

I certainly would not have agreed to that if Tasmania managed successfully to fight for the right to sell 50 per cent. of its houses. The Minister himself has said that is what we need in this State; so where were we when the agreement was drawn up?

Mr. Bickerton: Why don't you look at the position in Tasmania?

Mr. O'NEIL: The Minister should not have said what he did. He said—

> . . . it would be fair to say that by and large there has been over recent years about equal numbers of both purchase and rental units.
>
> If this general policy is to continue —and there seems no compelling reason why it should not—then it is necessary to have more flexibility than is provided by the limit of 30 per cent. purchase dwellings imposed by the agreement.

If that is the Minister's view—and it is the view he stated—why did he not fight for 50 per cent. along with Tasmania? Tasmania was successful. The Minister did not even ask.

Mr. Bickerton: No deal on Tasmania's grounds.

Mr. O'NEIL: There are no grounds; I suggest that the Minister read the agreement. It simply indicates that in the case of Tasmania the dwellings that may be sold shall not exceed 50 per cent. in the first year and 40 per cent. in the second year. I want to know where Western Australia was when Tasmania managed to arrange that, in view of the fact that the Minister has stated that is the arrangement we need.

Mr. Bickerton: We were right in front, my boy.

Mr. O'NEIL: The Minister has had to negotiate arrangements to build the balance of the required purchase and rental homes with other funds. As I have pointed out, those funds are much dearer. The funds about which we are talking are at 4 per cent., with a guarantee of no variation of interest for the first five years. The other funds, of course, are at the bond rate; or, in fact, in respect of the commission's own debenture borrowings, at whatever rate the commission can get the money. Sometimes the rate is well above the bond rate, as the Minister well knows.

The idea of being able to pool the resources was to achieve a leavening effect on the interest charges on the various funds; but now the commission must revert to the system of double funding, and there will be no way of having any leavening effect on the higher interest rate funds which the commission will have to borrow or obtain from the General Loan Fund under bond rate conditions. That will be a major disadvantage.

I have mentioned previously that the whole of the Minister's speech reflects the sadness of the commission. I think the spots on it are from the teardrops of the commission's officers. Again I quote the Minister's speech as follows—

> From an examination of waiting applications, it was ascertained the proportion above agreement eligibility was of the order of 10 per cent.

Ten per cent. of the people now listed for Housing Commission accommodation cannot get houses built with the 4 per cent. money; and if the commission cannot blend the two accounts in some way to ensure an even charge for rent in respect of two different people, we will have the situation of those two people being allocated houses on the same day and one will receive an agreement home which is precisely the same in design and construction as the State Housing Act home which the other person will receive, but the person in the agreement home will pay less. That is something which occurred previously, and the commission struggled to rearrange its funds in order to eliminate it.

Mr. Bickerton: You make me cry tears of blood. When you were there what was your eligibility in respect of applicants? Never mind about different eligibilities; what was your eligibility? You had it at the minimum.

Mr. O'NEIL: It was at the level set out in this current agreement.

Mr. Bickerton: Aha! That is now; not then.

Mr. O'NEIL: That is right.

Mr. Bickerton: You kept it down so that people were forced to go and buy a house on their own; otherwise they would never get one.

Mr. O'NEIL: They will never get them under this agreement.

Mr. Bickerton: Yes, they will. They have two eligibilities. You had them down to an eligibility which was almost impossible in relation to their earning capacity.

Mr. O'NEIL: Would the Minister agree with the eligibility set down in this agreement? That is the eligibility we are considering.

Mr. Bickerton: That is right; it is around $89. When did you ever have that?

Mr. O'NEIL: Of course, times change; and the eligibility is adjusted from time to time—

Mr. Bickerton: Times change, and so do you.

Mr. O'NEIL: —and the Minister well knows that.

Mr. Bickerton: You know jolly well that you had the applicant down to the absolute minimum.

Mr. O'NEIL: The fact remains that currently the eligibility figure is in the vicinity of $112 to $113 for the metropolitan area; and under this agreement it is to be $88.

Mr. Bickerton: Under the 4 per cent. funds, yes.

Mr. O'NEIL: It is the agreement about which I am talking, and nothing else. The point I am making is that the commission will have to build other houses with dearer funds.

Mr. Bickerton: And so it should. Why shouldn't it?

Mr. O'NEIL: How can the Minister rationalise the fact that two houses—one built with agreement funds at 4 per cent. over a 53-year term, and the other built with loan funds—

Mr. Bickerton: It is simple.

Mr. O'NEIL: I have not finished asking my question.

Mr. Bickerton: I didn't know you were asking one.

Mr. O'NEIL: How can the Minister rationalise the situation where two houses of precisely the same design and construction are built, one with long term, low interest funds and the other with medium term, high interest funds, and let to two applicants, the first at a certain rate, and the second at a higher rate?

Mr. Bickerton: When you were the Minister you had similar houses built on opposite sides of the same street; and one was let on the basis of an economic rental when the person first rented it, and the person in the other house would be paying twice as much rent.

Mr. O'NEIL: And we took action to correct that situation.

Mr. Bickerton: I'll bet you did.

Mr. O'NEIL: When we took that action the present Premier said we were making a profit out of the rental operations of the commission.

Mr. Bickerton: Did you not have similar operations with a different rental basis?

Mr. O'NEIL: Yes.

Mr. Bickerton: Thank you very much.

Mr. O'NEIL: This will always be the case, as the Minister would well know.

Mr. Bickerton: You are the one who is making an issue of it; I am not.

Mr. O'NEIL: I am making an issue of the situation of having two new houses of identical construction and design in the same street, and because of the fact that one is funded under the Act and the other is funded under the agreement, the rentals will be different.

Mr. Bickerton: I will give you another example. Take the two houses to which you refer. The person in the first house has a certain income, and the person in the other house has an income in excess of that; and they pay different rents for the same houses.

Mr. O'NEIL: That is the case if one of them is eligible for a subsidy or a rental rebate—

Mr. Bickerton: That is right.

Mr. O'NEIL: —but we are not talking about that.

Mr. Bickerton: You only want to talk about what suits your argument.

Mr. O'NEIL: The Minister just does not understand the housing situation.

Mr. Bickerton: I do not know whether I understand the housing situation but I certainly understand you. I think you are a nice chap.

Mr. O'NEIL: I have commented on the fact that under the proposed new agreement Western Australia is the only State which asked for and received less than it received last year. I want to know the reason for that. In obtaining less money bearing interest at 4 per cent., Western Australia has had to borrow more bond-rate money; in other words, the State said "We want $13,000,000 of your cheap money, but we will make up the difference through our own borrowings which are at a much higher rate of interest."

To prove my point, last year the commission asked for and received $21,000,000. For some reason or other it found it could not spend all of it, so it returned $6,000,000. I am now talking about money provided under the agreement, and not money made available at 4 per cent.

From the General Loan Fund last year the commission needed to borrow only $400,000. Relatively speaking that is medium term, high interest money. Let us see what the commission did this year. It asked for $13,000,000, which is 15¼ per cent. less than the amount it asked for last year; and this is money made available at 4 per cent. interest. However, let us see the amount the commission has to borrow. It has to borrow $3,950,000 from loan funds at a high interest rate, and $4,000,000 under its own borrowing powers. Is that good business?

Let us see what happened in the other States in regard to money made available at 4 per cent. interest. New South Wales asked for and got 31 per cent. more than last year; Victoria asked for and got 37 per cent. more than last year; Queensland asked for and got 25 per cent. more than last year; South Australia asked for and got 8 per cent. more than last year; and Tasmania asked for and got 82 per cent. more than last year. However, Western Australia got the amount it asked for, and this was 15¼ per cent. less than it received last year.

Western Australia asked for only $13,000,000 of the money at 4 per cent., but to make up its housing funds it has to borrow $7,950,000 on the open market. Is that the proper way to provide welfare housing for the people? I would like to know how that happened. Not only did Tasmania receive 82 per cent. more than it received last year of this 4 per cent. money, but under its housing agreement it is permitted to sell 50 per cent. of its housing stock.

Mr. Bickerton: We in Western Australia asked for what we knew we could expend.

Mr. O'NEIL: If the Minister knew that the commission could spend $20,000,000 why did he not ask for that amount, instead of getting $13,000,000 at 4 per cent. and $7,950,000 on the open market at a

high interest rate? I think Western Australia was behind the door when this housing agreement was written. This is what I have said, and I have also indicated this to the Premier: I would not be game to recommend to my Premier, if we were in office, that he sign this agreement.

Mr. Bickerton: You do not have a Premier in your party now!

Mr. Gayfer: Did any of the other States borrow money?

Mr. O'NEIL: Some of the other States did borrow additional moneys. I am going on the figures that I have obtained. The commission sustained a loss of $1,750,000 on its rental account, and it meant that much less for the provision of housing in this State. In 1970-71 funds generated were $13,000,000, but this has dwindled down to $8,350,000. Yet, the Minister says the commission has only asked for what it knows it can spend.

Mr. Bickerton: You know that is right, because you have been through all this. You know that what has happened is right.

Mr. O'NEIL: I cannot agree to that. I know that the officers of the commission are genuine in their endeavours to meet the housing demands of the State, but I also know that someone from Tasmania beat Western Australia to the draw.

Mr. Bickerton: You must be worried about Tasmania.

Mr. O'NEIL: I am not worried about Tasmania, but I am worried about Western Australia.

Mr. Bickerton: You do not need to worry about Western Australia, because it is in good hands and will remain so for many years.

Mr. O'NEIL: The Minister might help us out in this respect: He has to borrow something like $20,000,000 from the Commonwealth and on the open market. In addition he has something between $5,000,000 to $8,000,000 in internal funds. I want to know how many houses he will build with that money, because the Minister has told us that under this new agreement he proposes to build between 550 and 600 rental homes in the 1973-74 period. Rental homes seem to be the type the Commonwealth wants; it does not seem to want houses to be constructed for sale. I would point out to the Minister that in the 1970-71 period the previous Government built 2,444 houses. The Minister gave me those figures from the reports of the commission.

When I started out I mentioned that clause 3 of the Bill indicates that Parliament is being asked to ratify an agreement which is somewhat along the terms contained in the schedule to the Bill. We can only do that if the agreement has not been signed. However, the Minister has said that the Government has signed the Commonwealth and State housing agreement, therefore I understand it is not possible to amend the schedule.

From what I have seen of the agreement in the Bill I would not have been a party to recommending our Government, if it were now in office, to sign this agreement. I am aware that arguments have proceeded over a long period of time in respect of certain matters, but basically they were over the general eligibility of applicants in different parts of the State. I think that the Minister and the Government have done the State a disservice in the field of housing. I am aware of the problems which the State faces in the provision of housing. I predict that the agreement now before us will produce a major mess to be confronted by a Government—whether it be a Liberal-Country Party Government or a Labor Government—in two or three years' time. If not, then I am a monkey's uncle. Reluctantly I support the Bill.

MR. BICKERTON (Pilbara—Minister for Housing) [8.22 p.m.]: It is normal to thank members on the other side of the House when they contribute to the debate on a Bill. In this case I must honestly say that the matters put forward by the Deputy Leader of the Opposition are of a constructive nature. Some people, just because they are in the Opposition, concentrate on destroying a Government measure, and in so attempting to do one could say that their criticism is not constructive. I do not agree with all the remarks of the Deputy Leader of the Opposition, but I can say that what he has put forward is, to my knowledge, constructive criticism; and for that I thank him.

I would like to cover the matters generally at this stage, without dealing with them specifically. When the State makes an agreement with the Commonwealth we must surely look at what we consider to be in the best interests of the people within the State.

The Deputy Leader of the Opposition was quite correct in what he said about our advisers; the same advisers who advised his Government have also advised me. He could well say, "I did not take as much notice of their advice as you have taken" but if he thinks it is my intention to say that something went wrong in the advice given to me by my advisers, then my reply is "No." If there is anything wrong with this agreement I take full responsibility for it; and similarly I take full responsibility for asking my Premier to sign the agreement. I do not believe in hiding around corners.

I suppose that in Western Australia there are more people dependent upon the building industry than there are in the other States. The answer to this is to have an industry which is stable; and not one which flows along smoothly for a while, experiences a boom, and then a downturn as a result of which people lose their jobs.

That could happen when the State is not able to keep up its normal building programme.

Looking at the matter from this aspect we could ask ourselves these questions: What is the building work force in Western Australia as of now? Where do we require the houses? How much can we spend and still maintain a stable work force?

I can assure you, Mr. Acting Speaker (Mr. Brown), that we did not decide this question in five or 10 minutes; the decision was made over many weeks. I suppose it is fashionable these days for Ministers to attend parliamentary or ministerial conferences, to come back with a bagful of money, and to say, "We got $2,000,000 more than New South Wales and $5,000,000 more than Tasmania." I look upon this country and the building industry as much more important than that. We know what is the size of our work force; we know what are our facilities; we know what we can handle in the way of funds for building purposes; and we realise the necessity to balance the building rate of the Housing Commission against the building rate of the private sector.

There are many people in our community who are not interested in houses built by the Housing Commission. Most of us are also aware of the mistakes that were made in the past when the Government of the day felt that Western Australia would achieve great progress. However, no-one seemed to realise at the time that when an intense construction period is experienced, there must be a levelling out after the construction has been completed and the industry gets back to the production stage.

That was precisely what happened in Western Australia. For that reason the Housing Commission was left with a great amount of real estate, built by the previous Government, which is not occupied. If people want me to blame the previous Government for that my answer is that I will not, because of the conditions which prevailed at the time. Whether the decision was made to provide accommodation in high rise buildings or on the ground level, the people of the State had to be housed. The previous Government did that.

However, the overall financial picture now is that it is most essential for us to maintain stability within the building industry, and to make sure there is no unemployment within the industry; in other words, to frame a building programme which ensures continuity of employment throughout the State.

This was the purpose when we sat down to work out the amount of money the State required. I can only answer for the case put up by Western Australia; but looking at the case put up by New South Wales I know it was thinking in terms of so many million more dollars which, as the Deputy Leader of the Opposition is aware, that State has no hope of spending. The commission in New South Wales does not even have the land within the area where the work force is located to produce the houses.

Tasmania was somewhat rather optimistic in its claim for housing funds, but within 10 minutes of being allotted the money it asked that a considerable portion of the money be used in other directions. The answer was, "No."

I ask: Do we want honesty and a stable building industry, and a fund which will ensure that the industry continues at the present rate of occupancy, bearing in mind a waiting list of, say, some six months? That waiting time is not bad under most circumstances. Or would we rather have a situation, such as exists in Victoria, where we say that we will take everything and go ahead constructing buildings? I hope to God we never have the structures which we see in some of the other States.

I believe that the Western Australian programme, which we have put forward, is within our ability to carry out and is within the facilities which are available regarding roads, sewerage, kerbing, and so on. We believe the programme is within the ability of a stable work force in the building industry, which it is essential that we maintain. If I am proven wrong I will be the first to apologise to the Deputy Leader of the Opposition.

I am convinced that Western Australia will benefit as a result of this agreement. A grant of millions of dollars would not mean very much to this State because we could not provide sewerage, roads, kerbing, and so on. I believe the programme is a practical one. I do not like bringing my advisers into this type of argument but I believe they also are convinced that it is a practical programme. I thank the Deputy Leader of the Opposition for his constructive criticism of the Bill, and 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. Bickerton (Minister for Housing) in charge of the Bill.

Clauses 1 to 9 put and passed.

Schedule—

Mr. O'NEIL: I have indicated that I appreciate it is not possible to amend the schedule because it is the actual wording of the agreement which has, in fact, been entered into between the Commonwealth and the States. However, the Minister has failed to answer what I regard as a pertinent question.

It is true that from all sources the State Housing Commission will have approximately $2,000,000 more to spend than it did last year. The building programme will not be very different from last year, as the Minister mentioned. I pointed out that the commission borrowed $4,000,000 last year. It borrowed $400,000 from the General Loan Fund and $3,600,000 on debenture borrowings, and I said that this was, basically, expensive money. It is at the bond rate, or borrowed on the open market. This year, the State Housing Commission will arrange to borrow $3,950,000 from the General Loan Fund, and $4,000,000 on its own account—a total borrowing of $7,950,000.

The Minister has not answered my question. He could have obtained $20,000,000 from the Commonwealth at 4 per cent. because that has been the experience of every other State. Why did the Minister—and his advisers, if one likes—decide to take only $13,000,000 at 4 per cent, and come back to Western Australia to borrow nearly $8,000,000 at the bond rate? Every other State received what it asked for. The increase for South Australia was only 8 per cent., but for the other States it varied between 30 per cent. and 84 per cent. of low interest money.

The Minister has said that we will have much the same programme but why did he borrow only $13,000,000 at 4 per cent. and leave himself having to borrow nearly $8,000,000 at the bond rate when every other State received the amounts which they requested? Last year this State found it necessary to borrow only $4,000,000 at the high interest rate.

Mr. BICKERTON: I could answer that question in a roundabout fashion but I would prefer to answer it at the third reading stage if that is agreeable to the Deputy Leader of the Opposition. I am aware of what he is getting at.

Mr. O'Neil: The Minister can advise me privately.

Schedule put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Mr. Bickerton (Minister for Housing), and transmitted to the Council.

STATE HOUSING ACT AMENDMENT BILL

Second Reading

Debate resumed from the 14th November.

MR. O'NEIL (East Melville—Deputy Leader of the Opposition) [8.38 p.m.]: Members will be pleased to know that we will spend very little time debating this Bill.

The measure simply empowers the State Housing Commission to be the authority in Western Australia to administer the agreement entered into between the State and the Commonwealth. It runs parallel to the Bill we have just discussed, and we support it.

Question put and passed.

Bill read a second time.

In Committee, etc.

Bill passed through Committee without debate, reported without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Mr. Bickerton (Minister for Housing), and transmitted to the Council.

DAIRY INDUSTRY BILL

Council's Amendments

Amendments made by the Council now considered.

In Committee

The Chairman of Committees (Mr. Bateman) in the Chair; Mr. H. D. Evans (Minister for Agriculture) in charge of the Bill.

The amendments made by the Council were as follows—

No. 1.

Clause 2, page 2, after line 3—Add a new subclause (2) as follows—

(2) The provisions of Division 4 of Part 2 of this Act shall not be proclaimed except upon the recommendation of the Authority.

No. 2.

Clause 3, page 2, line 13—Delete the words "and Dairy Industry Prices Tribunal".

No. 3.

Clause 3, page 2, line 27—Delete the words *"Department of Agriculture"* and substitute the word *"Authority"*.

No. 4.

Clause 5, page 7, lines 12 and 13—Delete the definition "Tribunal".

No. 5.

Clause 9, page 9, lines 2 to 5—Delete paragraphs (a) and (b) and substitute the passage, "this Act shall be administered by the Authority".

No. 6.

Clause 17, page 15, line 21—Delete the paragraph designation "(a)".

No. 7.

Clause 17, page 15, line 26—Delete the words "or administrative" and substitute the words "administrative and supervisory".

No. 8.

Clause 17, page 15, line 33—Insert after the word "date" the passage ", except that where any officer or employee in the supervisory section of the Milk Board of Western Australia is required to be employed in the Department he shall be so employed at a classification and salary not less than that applying at the commencing date.".

No. 9.

Clause 17, page 15, lines 34 to 38, and page 16, lines 1 to 5—Delete paragraph (b).

No. 10.

Subheading—Division 2, page 20, line 12—Delete all words in the subheading after the word *"Committee"*.

No. 11.

Clause 41, page 34, lines 21 and 22—Delete subclause (2).

No. 12.

Clause 41, page 34, lines 23 to 26—Delete subclause (3).

No. 13.

Clause 44, page 36, lines 10 to 13—Delete subclause (2).

No. 14.

Clause 48, pages 39 to 41—Delete.

No. 15.

Clause 49, page 41—Delete.

No. 16.

Clause 50, page 42—Delete.

No. 17.

Clause 51, page 42, lines 17 and 18—Delete the passage ", at the request of the Tribunal or otherwise,".

No. 18.

Clause 51, page 42, line 24—Delete the words "Tribunal and the".

No. 19.

Clause 52, page 42, lines 25 to 30—Delete subclause (1).

No. 20.

Clause 52, page 42, lines 31 and 32—Delete the passage "For the purpose of making a recommendation under this section, the Tribunal", and substitute the following—"For the purpose of fixing any price or rate which may be fixed by the Authority in accordance with section 46, the Authority".

No. 21.

Clause 52, page 43, line 7—Delete the word "Tribunal" and substitute the word "Authority".

No. 22.

Clause 52, page 43, line 11—Delete the word "Tribunal" and substitute the word "Authority".

No. 23.

Clause 52, page 43, line 17—Delete the word "Tribunal" and substitute the word "Authority".

No. 24.

Clause 52, page 43, lines 18 to 20—Delete subclause (4).

No. 25.

Clause 52, page 43, lines 21 to 23—Delete subclause (5).

No. 26.

Clause 52, page 43, lines 24 and 25—Delete the passage "Where the Authority approves the recommendation," and substitute the words "The Authority".

No. 27.

Clause 52, page 43, line 26—Delete the word "it".

No. 28.

Clause 52, page 43, lines 32 and 33—Delete the words "in accordance with the recommendation of the Tribunal".

No. 29.

Clause 52, page 43, lines 38 and 39—Delete the words "on the recommendation of the Tribunal".

No. 30.

Clause 55, page 45—Delete.

No. 31.

Clause 56, page 45—Delete.

No. 32.

Clause 58, page 47, lines 10 and 11—Delete the words "it has received a written notification from the Department to the effect that".

No. 33.

Clause 58, page 47, line 15—Delete the words "with the Department".

No. 34.

Clause 60, page 47, line 35—Delete the words "or the Department".

No. 35.

Clause 62, page 49, lines 31 and 32—Delete the words "on the written advice from the Department that" and substitute the word "where".

No. 36.

Clause 62, page 50, lines 10 to 14—Delete paragraph (c).

No. 37.

Clause 63, page 50, lines 15 and 16—Delete the words "the Authority receives from the Department a written notification that".

No. 38.

Clause 63, page 50, lines 24 and 25—Delete the words "receives from the Department a written notification that" and substitute the word "suspends".

No. 39.

Clause 63, page 50, line 27—Delete the words "has been suspended".

No. 40.

Clause 63, page 50, lines 29 and 30—Delete the words "upon receiving from the Department a written notification that" and substitute the word "when".

No. 41.

Clause 64, page 51—Delete.

No. 42.

Clause 65, page 51—Delete all words in subclause (3) after the word "prescribed" in line 35.

No. 43.

Clause 85, page 64, line 5—Delete the word "shall" and substitute the word "may".

No. 44.

Clause 85, page 64—Delete the passage commencing with the word "towards" in line 7 to and including the word "or" in line 9 and substitute the word "for".

No. 45.

Subheading—Division 1, page 64, lines 30 and 31—Delete the words *"Department of Agriculture"* and substitute the word *"Authority"*.

No. 46.

Clause 87, page 64, line 34—Delete the word "Department" and substitute the word "Authority".

No. 47.

Clause 88, page 65, line 10—Delete the word "Department" and substitute the word "Authority".

No. 48.

Clause 88, page 65, line 13—Delete the word "Department" and substitute the word "Authority".

No. 49.

Clause 88, page 65, line 17—Delete the word "Department" and substitute the word "Authority".

No. 50.

Clause 90, page 65, line 33—Delete the word "Department" and substitute the word "Authority".

No. 51.

Clause 90, page 66, line 1—Delete the word "Department" and substitute the word "Authority".

No. 52.

Clause 91, page 66, line 14—Delete the word "Department" and substitute the word "Authority".

No. 53.

Clause 93, page 69, line 31—Delete the passage "Chief, Division of Dairying" and substitute the word "manager".

No. 54.

Clause 93, page 70, line 21—Delete the passage "Chief, Division of Dairying" and substitute the word "manager".

No. 55.

Clause 94, page 71, lines 10 and 11—Delete the passage "Chief, Division of Dairying" and substitute the word "manager".

No. 56.

Clause 94, page 71, line 15—Delete the passage "Chief, Division of Dairying" and substitute the word "manager".

No. 57.

Clause 99, page 73, line 17—Delete the words "officer of the Department or inspectors" and substitute the word "inspector".

No. 58.

Clause 101, page 74, line 2—Delete the words "or the Department".

No. 59.

Clause 103, page 74, line 31—Delete the words "or the Department".

No. 60.

Clause 103, page 74, line 33—Delete the words "or the Department".

No. 61.

Clause 103, page 75, line 2—Delete the words "or the Department".

No. 62.

Clause 103, page 75, line 4—Delete the words "or the Department".

No. 63.

Clause 104, page 75, line 9—Delete the words "Tribunal or".

No. 64.

Clause 106, page 77, line 6—Delete the word "Department" and substitute the word "Authority".

No. 65.

Clause 106, page 77, lines 22 and 23—Delete the words "or the Department".

No. 66.

Clause 106, page 77, line 36—Delete the word "Department" and substitute the word "Authority".

No. 67.

Clause 106, page 78, line 2—Delete the passage ", the Tribunal, the Department".

Mr. H. D. EVANS: The schedule which came from the other place contains 67 amendments, but it is not as formidable as it may seem to be. I would point out that some of the amendments are acceptable while others are not. I intend to suggest to the Committee that amendments Nos. 11, 12, 13, 36, 43, 44, and 57 be accepted, and the remaining amendments be rejected.

I have some copies of my written notes which I can make available, and I think the member for Wellington would most certainly need a copy. Amendment No. 11 is acceptable, although perhaps not completely desirable. The amendment will delete the advisory committee dealt with in clause 41 of the Bill. Amendment No. 12 relates to the same clause and it is also acceptable, so amendments No. 11 and 12 are recommended for acceptance by this Committee.

Amendment No. 13 is to delete subclause (2) of clause 44 which refers to the powers of the authority to retain documents. This is not an unusual inclusion. Indeed, under the Milk Act, as it exists at the moment, documents can be retained for audit purposes for two weeks. It was felt that the provision of one week would not impose an inordinate hardship on anyone.

Although administration may become a little more difficult, this is not vital to the measure and I propose that the amendment be accepted.

Amendment No. 36 is concerned with clause 62 (4) (c) and deletes the provision that a court of appeal should be constituted in such a way as not to be bound by the rules of evidence. Previously I gave the reasons that it was felt necessary, but again this is not vital. It will mean, in all probability, a greater delay in the case of appeals but it is another instance of an amendment which does not vitally affect the measure. I acknowledge that some appellants may have cause to regret it at some future time.

Amendments Nos. 43 and 44 remove the stipulation for remitting fees to the Department of Agriculture for specific purposes. The provision is now stated in far more general terms and, indeed, it would not really alter the operation of the department and the authority in transactions of this kind. Therefore, the Government considers that these amendments would not affect the operation of the measure to any great extent.

Amendment No. 57 relates to clause 99, and its purpose is to delete the provision dealing with the obstruction of officers of the Department of Agriculture in the specific circumstances to which it refers. Once again, it is felt that this amendment is not of sufficient consequence to take issue on it.

I now refer to amendments which are not acceptable to the Government. Generally speaking, these involve three principles, although a considerable number of consequential amendments follow. The three principles are the vesting provision; the consequence of the deletion of the dairy industry prices tribunal; and the deletion of the power of the Department of Agriculture to supervise quality, premises, and facilities. I shall refer to each in turn.

Amendment No. 1 relates to clause 2. An amendment has been made in another place whereby vesting shall become effective only on the recommendation of the authority. It has been shown that the provision for vesting is essential to the operations of the authority. It is the means whereby income and operating funds are derived, and also it enables certain adjustments and certain savings to be made within the operation of the industry. It is an important provision.

The amendment which has been made would mean that vesting would be taken from the control of Parliament. It would be taken from the control of the Minister and would be dependent upon the recommendation of the authority. As a matter of principle, the breach is far too great to enable this amendment to be acceptable to the Government. This is a matter of great consequence and it is important that Parliament states now whether or not there is to be vesting.

As has been indicated previously, the vesting clause is essential for the operation of the authority. It does not matter what has been said with regard to what has happened under the Milk Act and other pieces of legislation; legal advisers say that they are not prepared to draft legislation which would be in conflict with judicial interpretations. It is important as a principle that Parliament should be able to determine, in its own right, whether an issue such as this should be left to an appointed authority. Basically this is one of the important reasons for opposing the amendment.

When the measure was introduced into the Parliament it aimed at providing for a unified industry by the setting up of a dairy industry authority which would be charged with the organisation of the production, purchase, supply, packaging, storage, transport, and distribution of milk and dairy produce.

We must not lose sight of the fact that this is a food industry of a major kind. It is an industry which has inherent qualities with regard to handling and effective transportation and storage. It comes almost into the same category as meat.

The authority, as envisaged under the measure, was to have control over the regulation of the supply and production of milk and dairy produce. It was suggested that certain powers would be necessary to enable the measure to achieve its stated aim.

We find that the functions of the authority are carefully stipulated in the Bill to ensure that economies could be achieved within the industry. The measure also incorporates policies for maintaining and encouraging the future of the dairy industry. The authority was empowered to assist from time to time in the promotion of various dairy products; and to police and rationalise transport, treatment, manufacture, packaging, and distribution. It

was involved in prescribing new dairy areas and districts; it had the power to cancel or suspend licenses; and to classify persons and businesses for the purposes of issuing those licenses. It was authorised to carry out the making and settlement of contracts of all kinds, not only for the supply of milk, but also for the supply of butterfat and other dairy produce. It could, if required, fix either under-quota or over-quota supplies of milk and was also authorised to provide funds for research and promotion. In other words, the authority would have a say in educating and training people for the overall benefit of the dairy industry. It was specifically empowered to prescribe the grades—the minimum standards—for the quality and composition of milk and dairy produce.

I ask the Committee to remember the type of foodstuff with which we are dealing. The importance of this provision should not escape anyone. The authority was also to determine and prescribe premiums and penalties to be applied to certain grades and standards. It was also to be empowered to determine the classes of milk and dairy produce to be graded in a certain way and, finally, it was empowered to appoint agents.

All in all it can be said that the authority would have control over the policy formations and the initiative of the industry. In saying that, I except the provision whereby the authority is responsible to the Minister. Clause 45 spells out this responsibility fairly specifically.

In other words, the authority was to control the entire policy operation of the industry and to set, among other things, the quality standards and the minimums which are involved.

It should be remembered that the authority is composed of persons who have a definite vested interest in some aspect of the industry. Members will recall that there are four producers, two manufacturers, and one vendor on the authority. For the moment, we will exclude the other two representatives. With that total of seven people, members can appreciate that there will be a preponderance of voices from people representing the industry itself, or segments of it. Those people will have a vital interest in some aspects of the industry and are dependent on it to a large degree.

The control of quality and everything associated with it, such as the supervisory aspects of quality and hygiene standards—as well as the production and distribution of milk and dairy produce—were taken, for good reasons, from the authority and vested in the Department of Agriculture. This was done, firstly, because of the department's impartiality; and, secondly, because of its technological competence to undertake this work. These factors are most important.

The amendments attaching to the measure have been fundamental and have deleted from the measure the principle that health and quality standards should be a Government responsibility. It could be said that on occasions an authority may be set up for the specific purpose of examining the standards of quality control, but normally this must be a function of Government and it is one that cannot be abrogated.

I ask the Committee to stop to think what the reception would be if we were to allow the hoteliers of Perth to form a committee to set the standards of quality for hotels, and to police and supervise them. This would not be acceptable. When it comes to meat control, the Department of Primary Industry supervises export meat but does this, in the main, in accordance with specifications determined by our overseas customers. On the local market, the Public Health Department is responsible; it is not a committee of abattoir owners and exporters. This is a fundamental responsibility of Government and this is what we are confronted with in this measure.

I have already pointed out that the Department of Agriculture is involved in many areas. I instance the Metropolitan Markets for one. The standards of fruit and vegetables are set, but they are supervised by the Department of Agriculture and not by a consortium of producers and wholesalers who are involved in the trade itself.

Consequently a fundamental principle has been discarded in the amendments made to the measure. I can imagine what members of the Opposition would have said had the Government made this a provision of the Bill initially. They would have been most strong in their criticism of giving this power to an authority which is composed of industry representatives who have a strong vested interest. Such a committee cannot impartially undertake the supervision of the quality, and the health and hygiene standards.

This is something which must remain as a basic fundamental principle as far as good legislation is concerned. The reasons for the deletion of the Department of Agriculture from this role were two in number. In the first place, it was suggested that the department—or the Minister through the department—would in effect take control of the authority. This is extremely difficult to reconcile with the debate in the other place, particularly when it comes to clause 45 wherein the Minister retains the overriding power. It is difficult to reconcile the reasons for leaving that provision in the measure if consistency is to be achieved.

This is simply a transposition of the special power given in the Milk Act which the Minister may use in extreme circumstances. I feel it is better left there. It is necessary and it shows that the fears

expressed in another place were not altogether justified by the argument for consistency. Yet despite this retention of power and control by the Minister, the Legislative Council sees some obtrusive danger in permitting the department to operate in this manner. It is really a normal governmental function in compliance with the standards set down by the authority.

The second point raised was that the department should not be concerned with inspection, but should confine itself to research and advisory services. This suggests that the many members who participated in this debate did not fully appreciate that this has been one of the major functions of the Department of Agriculture over the last 40 years. In fact, the provision is included in many existing Statutes. So the argument put forward in another place was rather fallacious.

Mr. Blaikie: How is the department's role accepted by the potato growers?

Mr. H. D. EVANS: The responsibility of examination rests with the department.

Mr. Blaikie: But how do the growers accept the department's role in the Potato Marketing Board?

Mr. H. D. EVANS: The growers feel the department is too hard in its examinations.

Mr. Hutchinson: Is this a second reading speech, or are you talking to the amendments?

Mr. H. D. EVANS: I have indicated that seven amendments are acceptable to us, and three principal amendment, with consequential amendments, are not. I am presently talking about the role of the department, and this principle is involved in 36 consequential amendments. I am seeking the advice of the Chairman as to whether the amendments can be accepted *en bloc*.

Mr. Blaikie: You were just telling us about the Potato Marketing Board when you were rudely interrupted.

Mr. H. D. EVANS: On the one hand the growers feel that the department's inspections are too stringent. On the other hand, the housewives feel they are too lax.

Mr. Blaikie: That is the point; the growers are critical of it.

Mr. H. D. EVANS: If the growers were permitted to undertake their own inspections, what would happen?

Mr. Blaikie: You cannot sell that one to us.

Mr. H. D. EVANS: The honourable member knows as well as I do that the standard would deteriorate.

Mr. Nalder: Where does the authority come in? You mentioned that the growers would undertake the inspections. It is the board which does this, and it is not run by the growers.

Mr. H. D. EVANS: The authority to which we are referring is composed of a high proportion of producer and vested interest representatives. An undesirable position would result.

Mr. Nalder: You have no confidence at all in the people you are to appoint to the authority. This is a reflection on these responsible people.

Mr. W. G. Young: Who does the sampling of grain for silos?

The CHAIRMAN: Order!

Mr. Nalder: You are confused about the whole thing.

Mr. H. D. EVANS: Oh, do not talk nonsense.

Mr. Nalder: It is not nonsense.

The CHAIRMAN: Order!

Mr. H. D. EVANS: Let us look at the deletion of the reference to the prices tribunal. The Opposition has suggested that price fixing should be the responsibility of the authority. If this were ever intended, the composition of the authority would have been entirely different, and comparable with the situation in New South Wales. We can look at that a little later.

We are discussing a closed industry, and according to the Bureau of Agricultural Economics, a fairly lucrative industry.

Mr. Nalder: You are talking about the whole-milk industry.

Mr. H. D. EVANS: Yes, and this is reflected to some extent in the price of land and other matters. It is used as an indicator. We must protect the consumers when we are talking about a closed industry. At this time a recommendation for an increase in the price of whole milk is before the board. The present Milk Board is composed of one producer, one consumer, and an independent chairman. Even if the board feels the recommendation is totally acceptable, that recommendation must still be examined by an independent body. It would be unacceptable to the public to learn that prices were being imposed by an industry board composed of members with an interest in the industry.

Mr. Nalder: You are taking control completely away from the industry. Your policy is obvious.

Mr. H. D. EVANS: That is utter rubbish, and the honourable member knows it.

Mr. Nalder: Debate the merits of the amendment. Do not become abusive.

The CHAIRMAN: Order!

Mr. H. D. EVANS: We were going all right until the honourable member started to chip in. Let us take a rational and cold look at what is involved in toto.

Opposition members: A good idea!

Mr. H. D. EVANS: It is essential for the consumer to believe that a fair and just price is being charged for a product, and

particularly so in a closed industry. Consumers will readily accept price fixing by an authority of the composition as set out in the Bill. It was for this reason that the tribunal was suggested. In New South Wales the full-time chairman of the authority was a former chief of the dairying division.

Mr. W. G. Young: Who does the milk belong to?

Mr. H. D. EVANS: It will be in the possession of the authority.

Mr. W. G. Young: In other words, the producer produces it and hands it over. He is told what he will get for it.

Mr. H. D. EVANS: The producers accept the privileges of a closed industry. There is no competition, and we must ensure that prices are examined.

Mr. W. G. Young: I thought you were putting both sides.

The CHAIRMAN: Order! I feel I have been very tolerant, but the Minister is really making a second reading speech rather than briefly referring to the amendments. There is nothing presently before the Committee, so these matters will be debated again later. For the sake of brevity, I would ask members—

Mr. Rushton: All he has to do is accept the amendments.

The CHAIRMAN: Order!

Mr. H. D. EVANS: Mr. Chairman, I seek your guidance as to the most expeditious way to deal with this matter.

Mr. Blaikie: Pass the lot.

The CHAIRMAN: The Minister will have to move to disagree with amendments Nos. 1 to 10.

Mr. H. D. EVANS: I move—

> That amendments Nos. 1 to 10 made by the Council be not agreed to.

Mr. I. W. MANNING: I shall endeavour to confine my remarks to the clauses affected by these amendments. I am very disappointed that the Minister has not seen fit to accept the amendments made by the Legislative Council. At no time did the Legislative Council lose sight of the original concept of the legislation.

I would remind the Minister that the reconstruction of the administration of the dairying industry was sought by the farmers. They suggested a number of guidelines, all of which will be followed if we accept the proposed amendments.

The Minister mentioned the vesting provisions involved in amendment No. 1. This will affect clause 2 of the Bill. It is proposed to add a new subclause to provide that part II of the Bill shall not be proclaimed except upon the recommendation of the authority. The Minister took exception to the fact that the authority should have some say in regard to vesting. I would like to remind the Minister that clause 66 provides for total vesting of all milk.

The Minister referred to the New South Wales Act which provides for total vesting. However, it also affords the Minister an opportunity to issue an order that certain sections of the Act will not be proclaimed. I would like to quote from the New South Wales Act. The Minister in New South Wales has not proclaimed the provision relating to the vesting of manufactured milk. In regard to this measure, if the Minister has his way we will impose on the dairying industry in Western Australia something that is not imposed on the industry in any other part of Australia; that is, total vesting over the whole of the milk produced.

I quote from the New South Wales Dairy Industry Authority Act, 1970, wherein the order under section 7 provides—

> WHEREAS in section 7 of the Dairy Industry Authority Act, 1970, it is provided that the Minister may, by Order published in the Gazette, declare that all of the provisions of the said Act, or any of the provisions of the said Act specified in the Order, do not apply to or in respect of—

Then paragraph (f) provides—

> —any milk or any milk of a class.

It is under that provision that the Minister, by order, does not proclaim vesting over manufactured milk.

Mr. H. D. Evans: The situation is different in that State in that there is still a certain amount of difference over whole milk, but they should issue regulations by the end of this year and they will continue with the vesting.

Mr. I. W. MANNING: I take issue with the Minister on that statement, because the authority in that State said to a group of members from this Parliament that it would never be game to vest manufactured milk. I agree that the authority would be placed in an impossible situation; that is, to have the powers of vesting over all manufactured milk. This is something the authority could not cope with and that highlights the importance of amendment No. 1 made by the Legislative Council. That amendment provides that "The provisions of Division 4 of Part 2 of this Act shall not be proclaimed except upon the recommendation of the Authority".

The moment the Act is proclaimed we will have total vesting of all milk in the authority. As is recommended by the Legislative Council, the sensible thing to do is to give the dairy industry authority the opportunity to impose vesting gradually. Naturally the authority would vest whole milk because that is simple; the great problems are brought about by the vesting of manufactured milk.

Before it was granted powers over the vesting of manufactured milk, the authority would want to know how such powers would be implemented.

Mr. H. D. Evans: Sections of the Act would be proclaimed as and when the authority required them.

Mr. I. W. MANNING: This is provided for in the amendment by the Legislative Council, and that is the reason that I say the amendment is very sensible. That action is not taken anywhere else in Australia and we in Western Australia could not foresee what problems would arise in regard to manufactured milk. In imposing total vesting powers the Bill provides that all milk becomes the property of the authority. The authority purchases the milk from the dairy farmer, but what does it do with manufactured milk? Does it sell the milk to the company or does it allow the company to manufacture dairy lines on behalf of the authority? That is not stated in the Bill, but provision is made for it.

The dairy industry authority would want to have a look at the impact of total vesting over manufactured milk before it was implemented. So in all common sense I urge the Committee to accept the Council's amendment No. 1.

Mr. H. D. Evans: The authority would channel the milk to the proper manufacturing plant in the same way as it would with whole milk.

Mr. I. W. MANNING: What a hazy situation that is! In making that comment the Minister suggests there would be rationalisation; the milk would be collected from the farmer and directed to various factories. However it would not be directed to existing factories, but elsewhere. Who makes the decision on whether the authority retains the ownership of the milk and allows the company a margin for the manufactured product? Alternatively, will the authority sell the milk to the company?

Mr. H. D. Evans: This is the way the system will operate.

Mr. I. W. MANNING: It does not say that in the Bill.

Mr. H. D. Evans: That is what vesting means. The milk becomes the property of the authority at that time and is then directed to where it is required.

Mr. I. W. MANNING: Is the milk sold by the authority to the company, or will it allow the company a margin for handling it? New South Wales has said it is not game to become involved in that question.

Mr. H. D. Evans: The principle is the same in Victoria.

Mr. I. W. MANNING: Problems arise with manufactured milk but not with whole milk because that is straight down the line. With whole milk the authority will either purchase the milk from the dairy farmer and sell it to the depot which can be allowed a margin for treatment and handling and a margin for passing it on to the vendor, or the authority may never sell it to the company but merely pay the company to handle it. That is all right with whole milk, but when we get involved with manufactured milk with all the dairy lines that stem from the manufacture of milk products, it is a different story.

Mr. H. D. Evans: This will not come about unless a particular milk product is declared under the scope of a manufactured product. Such items as choc milk may come under the control of the authority but initially it would be handled in the same way as whole milk.

Mr. I. W. MANNING: I think the Minister should accept the Council's amendment No. 1, because at least it will ensure some orderliness in the implementation of vesting. If this is not achieved we could easily end up in a terrible tangle. If we leave it to the authority more than likely it will do the same as the authority did in New South Wales; that is, it will not proclaim the sections of the Act relating to the vesting of milk. Apparently, Mr. Chairman, I not only have to debate the Council's Amendment No. 1, but also all the other amendments up to amendment No. 10.

The CHAIRMAN: That is correct. You have three minutes remaining to debate this amendment and then you will be able to speak for 10 minutes at a time on amendments Nos. 2 to 10.

Mr. I. W. MANNING: I should have taken your advice, Mr. Chairman, and spoken on only one subject.

Amendment No. 2 involves the establishment of a dairy industry prices tribunal; the amendment seeks to delete this provision from the Bill. The Minister made an interesting comment when he said he desired to see the provision relating to the industry prices tribunal remaining in the Bill. It is clear that his concern is for the consumer and he is not prepared to place confidence in the authority to enable it to fix a reasonable price for the consumer.

Mr. H. D. Evans: This was the reason for the provision to set up the authority.

Mr. I. W. MANNING: I warn the Minister that New South Wales said it would have been far better had the powers that were granted to the prices fixation tribunal been given to the authority.

Mr. H. D. Evans: That is completely wrong. I received a letter from Mr. Proudfoot which was spontaneous and he said that it was valuable to him; that it acted as a buffer. This was the reason he gave, so the honourable member is not correct in making that statement.

Mr. I. W. MANNING: I am only repeating what representatives of the authority in New South Wales said to me; that is, that it would be far better—particularly in the interest of the dairy farmer—for the authority to have the right to fix prices and margins in the industry. They stated their reasons and I believe they were sound. In my opinion the Government is carried away by this price fixing business.

The CHAIRMAN: The honourable member's time has expired.

Mr. RUSHTON: Mr. Chairman, obviously there is not sufficient time for an honourable member to deal with Council's amendments Nos. 1 to 10 spread over three sessions. I am wondering whether there is any chance of varying that condition.

The CHAIRMAN: There has been no objection and therefore I put the question that amendments Nos. 1 to 10 be agreed to. As there was no objection it will be difficult to alter the situation.

Mr. H. D. Evans: I could reply to the member for Wellington so that he can have an opportunity to speak further.

The CHAIRMAN: The member for Wellington has that opportunity now.

Mr. I. W. MANNING: On the question of the price fixing tribunal I think we are imposing on the industry an unnecessary body. The Minister has stated that the desire is to set up a single authority with adequate representation from the various sections of the industry. One of the most vital parts of the dairying industry is that relating to prices, and therefore to deny to the authority the responsibility to fix prices is a grave mistake. That principle will be applied under the part that was designed to be administered by the Department of Agriculture.

In my mind it is important to the whole of the industry to establish an authority and to say to it, "Your task is to administer the whole of the dairying industry in Western Australia." Therefore it is logical to assume that it be given the task to unify the industry and to administer it. The provision in the original Bill providing that the tribunal shall fix prices and margins conflicts with the principle that was sought originally by the dairy farmers. Therefore I urge the Committee to accept amendments Nos. 1 and 2 made by the Council.

Amendment No. 3 made by the Council involves the principle of the activities of the Department of Agriculture. We had a long debate on this provision during the second reading and Committee stages of the Bill when it was in this Chamber previously.

I am pleased that those in another place saw merit in the argument that the production and inspection side should be under the control of the authority because these are two of the most important aspects of the industry. I cannot understand why the Minister should object to the authority having this control. The legislation contains provision for powers and duties to be delegated, but the most important point is that the authority should be responsible for production and inspection.

It does not make sense to me that the Department of Agriculture should be involved in the inspection of dairies, cow sheds, and the like.

Mr. H. D. Evans: But is it not now? Does it not inspect the dairy produce factories?

Mr. I. W. MANNING: The Minister knows better than that. The officers of the department inspect the butterfat dairies, but the inspection of the whole-milk dairies is carried out by inspectors from the Milk Board.

I am at a loss to understand why the department should want to be involved in inspections because this is a policing task. The authority will be in the best position to appoint inspectors for this purpose.

As the Minister has indicated, the first three amendments contain the three important provisions involved in the amendments from another place. Most of the remainder of the amendments are consequential upon the first three. I consider it is important that the Committee should accept amendments Nos. 1 to 10 and reject the motion of the Minister for Agriculture.

Mr. NALDER: I support the member for Wellington and oppose the Minister's motion. The provision we have been debating this evening—that is, the one relating to vesting—has concerned many people.

When the Bill was being discussed previously in this Chamber the debate hinged a great deal on the responsibility the legislation would give to the authority. The opinion of the Opposition was that the authority would be an authority in name only because it would have very little responsibility. Most of the activities which we considered should be the responsibility of the authority are to be carried out by committees, and with that we did not agree.

An authority under legislation such as this should have the main say concerning the product involved. But this is not the case in this instance. The Minister has given no good reason for the establishment of a prices tribunal. The authority will comprise responsible people representative of producers, manufacturers, and consumers. The members of the authority will know exactly what is required and they will know that it is no good giving the producers an amount per gallon for the milk, if the milk cannot be sold. Unless we

give the authority the responsibility it should have, its power will be lessened and —this has not been mentioned this evening—costs will be increased.

These days we hear a lot about increased costs. Because of the establishment of a number of committees, the cost to the industry will be increased, and who will pay it?—the consumer. If we take away the power from the authority the value of the legislation will be negligible.

The decision concerning vesting should rest with the authority. If it feels that it is necessary and vital to the progress of the industry to enforce vesting, then it will make a recommendation to this effect. The person responsible for making the decision will be the Minister, but the authority should be given the power to make the recommendation to the Minister. In my opinion the amendments are desirable and should be accepted.

Mr. BLAIKIE: I also support the amendments contained in Legislative Council's message No. 79. It is as well that the Committee should fully realise the purposes behind the legislation, one of which was to unite an industry which is now divided. Another purpose was to effect economies in the dairy industry throughout the State so that all sections would receive some benefit. One of the more important objectives of the legislation was to establish a single industry authority so that once and for all the industry could control its own destiny.

I say categorically that all producers believed the legislation would give the industry control of its destiny. I challenge the Minister to deny that the legislation does not achieve what those in the industry believed it was designed to achieve.

Mr. H. D. Evans: What does it not control?

Mr. BLAIKIE: It does not control prices or inspections.

Mr. H. D. Evans: Now we are getting down to the only things it does not control.

Several members interjected.

Mr. BLAIKIE: If I could interrupt at this stage—

The CHAIRMAN: The honourable member should address his remarks to the Chair and not take any notice of interjections.

Mr. BLAIKIE: Under the Bill the industry is being asked to hand over to Parliament the control of vesting. The Minister states that the authority should not have a say regarding vesting. Again I say quite categorically that not one dairy farmer in Western Australia believed that the industry would not control its own destiny under the legislation. This is the reason for the amendments from another place.

The very basis on which the legislation was founded was to give the industry control of its destiny. I attended a meeting at Busselton at which this was made quite clear. If the Minister wishes to question me on it, he can.

I say once again quite categorically that the producers believed that under the legislation they would for the first time have control of their own destiny. But this is not the situation under the Bill as drafted.

The first of the amendments proposed by another place provides for vesting to be the responsibility of the authority. As the Minister has indicated, the authority comprises seven people with vested interests. I do not like the word "vested". The members of the authority are persons who have an interest in the well-being and future of the industry. Consequently the authority should be the one to make the recommendation.

This is the intention of the amendments made in another place. I believe the intention is in accordance with what the industry wants so far as the Department of Agriculture is concerned. The department is well able to carry out inspectorial and extension services. If we accept that the Department of Agriculture's role in the authority will be deleted —and I believe it is important that it should be—there is no reason why the department, under the direction of a single dairy authority, cannot, in fact, carry out the inspectorial services. The difference would be that it would be under the direction of the authority. It is a question of the future and the destiny of the authority. The authority should be the body to make the decision and it should not be handed over to anybody else.

Earlier the Minister asked me what areas the authority would not control. It certainly would not control the inspectorial services if the Government were to have its whim. This is an area which is most important. Inspectorial services ought to be carried out under the direction of the authority.

Mr. Hartrey: Under the direction of the people being inspected? Has the honourable member ever seen passengers disembarking from a ship who are subject to the control of customs officers?

Mr. BLAIKIE: I will not argue the point of customs officers but I invite the honourable member to take part in the debate. I would like to hear him voice his knowledge of the dairy industry.

Mr. Hartrey: It bears watching.

Mr. BLAIKIE: The prices tribunal is a most important aspect as is any such tribunal in any other field. The member for Boulder-Dundas would doubtless agree that other fields exist in which there is power for the people involved therein to fix their own fees. This is not an uncommon principle.

Mr. Hartrey: It is very wrong in my trade.

Mr. BLAIKIE: The price of dairy produce is a most important aspect, but the producer will not have a say in it because he does not even have a seat on the tribunal.

I believe the amendments made in another place are in accordance with the principles which people in the dairy industry thought would be embodied in the legislation.

Earlier reference was made to the Potato Marketing Board. I shall draw some comparison with that board, because it is essential that we do draw comparisons with the various boards which are now operating. I am well aware that there is criticism of the Department of Agriculture's role in respect of the Potato Marketing Board. By way of interjection this evening the Minister also admitted this.

Mr. H. D. Evans: I have had complaints of the kind to which I referred.

Mr. BLAIKIE: I am fully aware that many complaints have been made.

Mr. H. D. Evans: Not many.

Mr. BLAIKIE: I believe that the Potato Marketing Board, not the growers, should, in fact, be responsible for the inspectorial services if it is to play an effective and proper role. Of course, the Potato Marketing Board could employ the services of the Department of Agriculture but the department would act at the direction of the board. That is the difference.

We should also look at the Lamb Marketing Board. I doubt whether many out of season fat lamb producers would be completely enamoured of the Lamb Marketing Board. I have seen other boards in operation and I am fully aware of the problems which the Lamb Marketing Board has faced and is expected to face. As a result of this, members on this side of the Chamber are probably a little more critical of the board than members opposite, but with good reason.

The CHAIRMAN: The honourable member has two more minutes.

Mr. BLAIKIE: The industry thought that, with the passage of this measure, it would in fact have the opportunity to control its own destiny. The industry thought it would be totally and absolutely responsible for the formation of policies and would be able to effect rationalisation within the industry for the benefit of the industry. Nevertheless, when the measure was introduced into the Chamber there were three areas where certain powers were taken away from the authority. I refer to the vesting provision, the prices tribunal, and the role of the Department of Agriculture.

For this reason I fully support the amendments made by the Legislative Council as set out in message No. 79.

Mr. Brown: All of them?

Mr. BLAIKIE: We are discussing amendments Nos. 1 to 10. I ask Government members to take cognisance of what the industry wants. Surely the Committee must be aware of the meeting held in Brunswick to decide these very issues. We have heard throughout the entire debate the Minister say that it is an industry Bill. The Minister has said that there has been active consultation with the industry at all times and this is what the industry really wants. He has also said that, as a result of this consultation, the Government will give the industry this form of legislation.

The industry has turned around and said it wants the principles but does not want these three or four provisions. Surely, after all this, some recognition should be taken of the industry which has come out loud and clear and has stated that it wants the legislation without these provisions.

Mr. GAYFER: At the moment we are discussing amendments Nos. 1 to 10 contained in message No. 79. The first three amendments seem to be the crux of the whole measure. The first amendment concerns the vesting order; the second, the prices tribunal; and the third concerns the Department of Agriculture as part of the authority. It is apparent that all of the 67 amendments surround these three points. It is obvious that no agreement whatsoever will be reached between members on this side of the Chamber and those on the other, and the measure will have to go to a conference of managers in any case. I appeal to the Committee; if we continue to talk on this matter we will talk all through the night.

Government members: Hear, hear!

Mr. GAYFER: We have all made up our minds and know exactly which way we shall vote. I suggest we should divide on the issue up to amendment No. 10. I think there has been sufficient debate on the subject. The measure will go to a conference of managers who will sort out the problems. No member will shift his opinion and we are simply wasting time.

Mr. T. D. Evans: Perhaps the member for Avon would move that the question be now put?

Mr. GAYFER: I am not trying to apply the gag but I am trying to make members display a little common sense. We are hearing nothing but second reading speeches and a rehash of what has been said before. This is quite unnecessary at this stage.

Mr. A. A. LEWIS: Despite the impassioned plea by the member for Avon—

Mr. Gayfer: It is not an impassioned plea. You say that every time you get up.

Mr. A. A. LEWIS: If the honourable member cares to read through *Hansard* he will probably find I have used it only once.

The CHAIRMAN: Order!

Mr. A. A. LEWIS: I wish to take this matter a little further. Any industry, which is to control its own marketing, should have more than one person on a tribunal which is setting prices. All manufacturers and producers should have a fair say in what they receive. Quite frankly, under the prices tribunal proposed I do not think they will have. The Minister has not really answered the point. There is not one producer on the set-up.

Mr. H. D. Evans: How is it done now?

Mr. A. A. LEWIS: I am not interested in that. I thought the object of the legislation was to create a single authority for the benefit of the dairy industry. It is not a question of how it is done now. My grandfather rode a horse but I cannot afford the time to do that. The Minister is back in those days when he advances this kind of argument.

Let us look at modern marketing and do something for it. We should not stay in the horse and buggy days, because this is simply wasting our time.

As the member for Avon said, the Minister obviously will not be swayed by my words or by those of any other member on this side of the Chamber. I am bitterly disappointed that the Minister will not consider a real marketing set-up. It seems the authority could be a hotch potch if the measure goes to a conference of managers. This would happen because of certain stubbornness and a lack of the realisation of true marketing methods.

As the measure stands, all it will effect is a lowering in the production of milk in this State, because dairy farmers will be forced out of the industry as a result of having no say in the disposal of their own products. Anybody who produces any commodity should have a say in the handling of that commodity. I do not believe that Big Brother should state what the position shall be.

This is the key to the whole Bill. The Minister is not prepared to have a single dairy authority. He is not prepared to trust the people on the authority to do a reasonable and good job in all aspects of production, inspection, and the sale of their product. Consequently the dairy industry will be in for a sad time unless the members of the industry are suitably represented. I thought the meeting at Brunswick which was held a few weeks ago would have convinced the Minister that the dairy industry wants a single authority, but it wants one which will be constructive and good for the producer as well as the consumer. Believe me, very few producers of any commodity are greedy and want more than a fair share of the cake.

We hear a great deal about big companies and big farmers bleeding the consumer, but when we look at the position we find that this is not the case in this country. The producers of our agricultural products and most of our manufacturers take a fair and equitable return for the risk and work involved in their industry. I ask the Minister to look at a really up-to-date marketing set-up without becoming bogged down with preconceived ideas which went out with the ark.

Mr. McPHARLIN: I endorse the remarks made by the member for Avon. I appeal to the Minister to give consideration to the suggestion made by the honourable member because I think we all want to see a single dairy authority. We want the industry to be provided with the opportunity to go ahead with what it has asked for. We differ in our ideas as to how this should be done, but I appeal to the Minister to let us appoint a committee of management because with each member who speaks we will simply have repetition.

None of us wants the Bill to fail. We all want a single authority to be appointed, and I appeal to the Minister to give serious consideration to putting the matter to the vote with a view to referring the matter to a conference so that we can reach a compromise solution.

I would like, from the Minister, some clarification of clause 2 of the Bill, which reads—

> This Act or any provision of this Act shall come into operation on such date as is, or on such dates are are, respectively, fixed by proclamation.

The clause refers to any provision of the Bill. Clause 66, which contains the vesting provision, says "by force of this section absolutely vested in and becomes the property of the Authority". If clause 66 is proclaimed, the authority will absolutely take control of the vesting of milk and milk products. There is nothing in the Bill which allows exemptions from that provision.

The member for Wellington said that clause 7 of the New South Wales dairy industry authority legislation provides exemptions. The amendment on the notice paper gives room for flexibility and allows the authority to provide exemptions. I think it is a reasonable amendment and that the Minister should accept it. It is in line with the exemptions provided in the New South Wales Act.

Mr. H. D. EVANS: I would like to clarify a few points. Firstly, with regard to vesting, as the honourable member who has just resumed his seat pointed out, any clause of this Bill can come into effect after it is proclaimed. This applies also

to vesting. The industry is not obliged or compelled to recommend vesting, and if the amendment is passed vesting will be taken out of the hands of the Government. The point I make is that this is a decision which Parliament should make.

The member for Katanning objected to the cost that would be involved in a prices tribunal. In view of the composition of the tribunal, the cost will be negligible. The fixing of the price for milk has been a very odious and difficult task. In 1971, when my predecessor was confronted with a recommendation for an increase of 2c in the price of milk, he was not satisfied with the recommendation of the Milk Board—the authority which should have known all about it. He sought advice in other places and ultimately an increase of 1c was granted. So even after receiving a recommendation from the experts he was not satisfied; nor should he have been.

When an industry is placed in a privileged position, there must be impartiality and objectivity. I have received the current recommendation for an increase in the price of milk, but I will not make a decision on it without having an impartial examination made by officers who are capable of making it. I will follow the procedure laid down by my predecessor. Surely we cannot accept a recommendation in regard to price which is made by the authority. We cannot do it now and we could not do it in that situation. What utter rubbish!

When an industry has accepted a privileged position—I do not mean that in a derogatory sense—it must be prepared to accept objectivity in price fixing to which everyone in the industry—the producer and the consumer alike—is entitled. The member for Wellington said this system has been found to be eminently satisfactory in New South Wales.

With regard to the role of the department, if the list of responsibilities of the authority contained in the original Bill is looked at it will be seen that the policy decisions of the industry, including the setting of standards, are the total responsibility of the authority, but we cannot seriously expect the public at large to accept that the authority should supervise the production, cartage, reception in the treatment plant, treatment in the plant, delivery, packaging, time of day of delivery, and everything else.

Mr. W. G. Young: Why not? The wheat industry runs exactly that way now. Co-operative Bulk Handling does all that, and that is grower-controlled.

Mr. H. D. EVANS: We have a vastly different situation with this product, which is one of the most fragile of foodstuffs and one of the most prone to deterioration.

Mr. W. G. Young: And you have no confidence in the ability of the authority to handle it.

Mr. H. D. EVANS: I am not talking about Co-operative Bulk Handling. I am talking about milk, which requires technological back-up. We need agricultural scientists to do cheese tests; we need butter graders and people like that. If we take the supervisory function away from the department, it will have to be done by the authority, which will have to build up a comparable section. Anything is possible but at the same time we will lose the liaison and back-up, and in many cases inspectors and dairy advisers require that a survey be made in dairy products factories, when bacteriological counts and many other tests are carried out. This specialist knowledge is required. If that function is removed from the Department of Agriculture and given to the authority, the department will be limited to research and extension work in an advisory capacity.

Mr. Blaikie: You have not told us why the Department of Agriculture cannot still continue its inspectorial services under the direction of the authority. Can you answer that?

Mr. H. D. EVANS: Hygiene, health control, and quality standards must necessarily be the responsibility of the Government. It cannot be handed over to an authority composed mainly of members of the industry.

Mr. I. W. Manning: It is done now.

Mr. O'Neil: It is done now by the Milk Board, with a Government check.

Mr. H. D. EVANS: I refer to the difficulty with solids-not-fat each year. I am talking about liaison.

Mr. O'Neil: Do you have Government inspectors making sausages and smallgoods? Of course you do not.

Mr. H. D. EVANS: Who does the Deputy Leader of the Opposition think inspects these premises?

Mr. O'Neil: I said making them. You do not need officers of the Department of Agriculture on a milk authority to ensure hygiene standards are maintained. The authority will do that anyway.

Mr. H. D. EVANS: The Department of Agriculture is represented on the authority, but an independent authority will have to look to the hygiene standards.

Mr. O'Neil: The Public Health Department performs that function.

Mr. H. D. EVANS: It does in connection with meat but in the dairy area the function is performed by officers of the Department of Agriculture, operating under the Health Act. I think the Deputy Leader of the Opposition had better keep out of this one.

Mr. O'Neil: You are making a big enough mess of it without me.

Mr. H. D. EVANS: In summer each year there is a fall in the solids-not-fat content. At this stage there is no liaison or back-up

with the department, except when a farmer makes the approach under threat of suspension of his license. The testing is carried out over a period of months. The advice of the officers of the Department of Agriculture is required, and there is always the difficulty of the time lag of some months during which a producer has substandard products.

Mr. Blaikie: Who establishes that the products are substandard?

Mr. H. D. EVANS: The Milk Board.

Mr. Blaikie: Why can the authority not do just that?

Mr. H. D. EVANS: Because the line of communication leading to improving the quality is so tortuous and prolonged. It is a question of going back to bedrock and improving the standard through the advisory service. This happens every year and the lack of communication is due to the present fragmentation.

These three matters involve principles which I do not think we can abrogate—certainly not from the point of view of a responsible Government.

Question put and a division taken with the following result—

Ayes—19

Mr. Bickerton	Mr. Hartrey
Mr. Brown	Mr. Jamieson
Mr. Bryce	Mr. Lapham
Mr. B. T. Burke	Mr. May
Mr. T. J. Burke	Mr. Norton
Mr. Cook	Mr. Sewell
Mr. H. D. Evans	Mr. A. R. Tonkin
Mr. T. D. Evans	Mr. J. T. Tonkin
Mr. Fletcher	Mr. Jones
Mr. Harman	*(Teller)*

Noes—19

Mr. Blaikie	Mr. O'Connor
Mr. Coyne	Mr. O'Neil
Dr. Dadour	Mr. Runciman
Mr. Gayfer	Mr. Rushton
Mr. Grayden	Mr. Sibson
Mr. Hutchinson	Mr. Thompson
Mr. A. A. Lewis	Mr. R. L. Young
Mr. W. A. Manning	Mr. W. G. Young
Mr. McPharlin	Mr. I. W. Manning
Mr. Mensaros	*(Teller)*

Pairs

Ayes	Noes
Mr. Davies	Mr. E. H. M. Lewis
Mr. Brady	Mr. Stephens
Mr. Taylor	Sir David Brand
Mr. McIver	Mr. Ridge
Mr. Bertram	Sir Charles Court
Mr. Moiler	Mr. Nalder

The CHAIRMAN: The voting being equal, I give my casting vote with the Ayes.

Question thus passed; the Councils amendments not agreed to.

Mr. H. D. EVANS: I move—

That amendments Nos. 11 to 13 made by the Council be agreed to.

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

Mr. H. D. EVANS: I move—

That amendments Nos. 14 to 35 made by the Council be not agreed to.

Mr. I. W. MANNING: I am conscious of the fact that we have already made a decision in respect of the principle contained in these amendments. However, I would like to say again how disappointed I am that the Minister sees no merit in them. I think he is overlooking the fact that the legislation was requested by the producers and that a majority of the producers are in favour of the amendments before us. If we are to give the industry the legislation in the form in which it has asked for it, then we should accept the amendments.

Mr. H. D. EVANS: The member for Wellington alludes indirectly to the meeting held at Brunswick. I do not know whether the decision taken at that meeting was the result of conviction, political loyalty, eloquence, or the emotion of the moment. However, I would refer to two points. The entire Bill is the result of two years' solid research and was accepted unanimously at the annual conferences of the whole-milk section as well as the manufacturing section of the industry; so do not try to tell me that we are going to take the decision of that meeting as being fully symbolic of the feelings of the producers.

Mr. Blaikie: Haven't you received a letter from a Mr. Barry Oates of Yoongarillup?

Mr. H. D. EVANS: I have a stack of letters. For the past couple of years members of political parties have attended shows in the south-west with pockets full of Bills and have passed them out to producers. So do not let us get charged up by all this.

Naturally producers and others directly concerned with the industry would be most interested in the price-fixing arrangements, just as they would be interested in other aspects of control. I come back to the need for impartiality in respect of this matter.

Question put and passed; the Council's amendments not agreed to.

Mr. H. D. EVANS: I move—

That amendment No. 36 made by the Council be agreed to.

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

Mr. H. D. EVANS: I move—

That amendments Nos. 37 to 42 made by the Council be not agreed to.

Mr. I. W. MANNING: With regard to the Minister's last comments, I feel sure he is deluding himself if he really believes what he said. He well knows that a large section of the dairy farmers have misgivings about this legislation. He well knows that the conferences of the Farmers' Union which debated this question were concerned mostly with the setting up of a single

authority to administer the industry. When the original concept was explained to the farmers they were not told it would be a fragmented administration and that the first concern of the tribunal would be to fix prices to the consumer.

Mr. H. D. Evans: But the Bill has been around and available to the farmers for quite a while.

Mr. I. W. MANNING: Even the people who walked around with copies of the Bill in their pockets did not realise this.

Mr. H. D. Evans: The Bill has been around for quite a long time, though.

Mr. I. W. MANNING: That is a good thing, because the longer it has been around the more the people who will be affected by it have come to understand it. I am concerned about the grounds upon which the Minister is rejecting the amendments. I think he is persuading himself that the provisions of the Bill are so perfect that they should not be amended, and he is ignoring the fact that the amendments are designed to improve the Bill and not to detract from the principle of setting up a single authority.

Question put and passed; the Council's amendments not agreed to.

Mr. H. D. EVANS: I move—

That amendments Nos. 43 and 44 made by the Council be agreed to.

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

Mr. H. D. EVANS: I move—

That amendments Nos. 45 to 56 made by the Council be not agreed to.

Question put and passed; the Council's amendments not agreed to.

Mr. H. D. EVANS: I move—

That amendment No. 57 made by the Council be agreed to.

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

Mr. H. D. EVANS: I move—

That amendments Nos. 58 to 67 made by the Council be not agreed to.

Mr. I. W. MANNING: As these are the final amendments, this concludes the debate. Now the Bill will go back to the Legislative Council. The amendments which have been agreed to are what one might term insignificant amendments; however, I am very pleased indeed that the Minister has accepted them. They were fully debated when the Bill was before this Chamber previously, and we appealed to the Government to accept them at that time.

I do not know what will be the future of this legislation. The Bill will go back to the Legislative Council, and that Chamber will be told that we have accepted but few of its amendments. I reiterate my disappointment that we have not accepted the amendments in their entirety and so given the measure a speedy passage.

Question put and passed; the Council's amendments not agreed to.

Report, etc.

Resolutions reported and the report adopted.

A committee consisting of Mr. I. W. Manning, Mr. Jones, and Mr. H. D. Evans (Minister for Agriculture) drew up reasons for not agreeing to amendments Nos. 1 to 10, 14 to 35, 37 to 42, 45 to 56, and 58 to 67 made by the Council.

Reasons adopted and a message accordingly returned to the Council.

WESTERN AUSTRALIAN MARINE ACT AMENDMENT BILL (No. 2)

Second Reading

Debate resumed from the 27th November.

MR. HUTCHINSON (Cottesloe) [10.32 p.m.]: This Bill seeks to amend the Western Australian Marine Act and, as the Minister informed us, it contains three amendments. On behalf of the Opposition I express support of the three amendments. We support two of them without any equivocation, but the one relating to penalties we support with some important amendments.

The first amendment in the Bill seeks to repeal section 30 of the principal Act. This is the old type of grandfather provision. It provides that a person who has operated over three years as a marine surveyor shall be entitled to a certificate as a marine surveyor.

The time for the application of the grandfather provision has long passed, and the Minister has informed us that the provision has acted as a restrictive block to prevent a marine surveyor from becoming certificated in less than three years. This provision in the Act is not only redundant but also restrictive. So, the reasons for the amendment in the Bill are quite logical.

The third amendment in the Bill deals with the setting up of what is to be known as a manning committee, which will comprise in the main experts in the surveying-engineering fields. It will be known to those who have studied the Western Australian Marine Act that this legislation controls, manages, and provides the regulation-making powers in respect of various classes of ships—coastal ships, fishing vessels, coastal trading ships, and the like.

With the passage of the years it has been found that the manning requirements laid down in the Act have proved to be too restrictive. There is a degree of inflexibility in their application, and under modern circumstances such inflexibility is not

desirable. We have been informed that the advances which have been made in navigation and in the construction of ships make the old ideas of manning these types of ships outmoded.

The manning committee is to be set up to deal with exceptional circumstances. Where it is considered that some change should be made then representations can be put forward to that committee to have the issue determined on its merits. This is a highly logical method of determining such issues, and I support the proposal in the Bill in its present form. However, I understand the member for Fremantle may be moving some amendments.

The second amendment contained in the Bill is one to which I take exception because of the harshness of the penalties, and not because of the purpose of the penalties. Perhaps I should inform members what these penalties are.

When I was Minister for Works I introduced an amending Bill in, I think, 1968 to provide among other things for an increase in the penalty for overloading a vessel beyond the permitted number of passengers. At that time the prime penalty for passenger overloading of ferries was $40. I was successful in having it increased to $100. Now, in 1973 the Minister is seeking to increase this penalty from $100 to $1,000.

The penalty of $1 for each passenger overloaded is to be increased to $10 for each passenger overloaded; this is a tenfold increase. In my view this is too steep. I emphasise that I believe penalties must be invoked and they must be reasonably stiff to deter skippers of ferries from overloading, but I do not believe we should go "overboard" in fixing the penalties. I used this pun previously in regard to another Bill introduced by the Minister.

The proposed increase from $100 to $1,000 for passenger overloading is far too high, and I intend to move to reduce it to $500. Even then the increase would be fivefold. I also intend to move to reduce the penalty for each passenger overloaded from $10 to $5.

Mr. Jamieson: That is not as much as is charged for the fare.

Mr. HUTCHINSON: It is.

Mr. Jamieson: It is not.

Mr. HUTCHINSON: What I have proposed fits the position better.

Mr. H. D. Evans: The fare on the hydrofoil is $6.

Mr. O'Neil: What has that to do with the penalty?

Mr. H. D. Evans: The Minister said that the increases in the penalty to $5 would not be as much as the fare.

Mr. HUTCHINSON: I shall deal with that aspect in the next point. In addition to the proposed tenfold increase in the penalty the Bill seeks to add a new subsection which provides for minimum penalties. For the first offence the penalty is not less than $200, and for the second or subsequent offence not less than $500.

As I understand the position during my time in this Parliament, the legal people do not like penalties being prescribed in such a manner, because this places a restriction on the magistrate or judge trying a case. There is to be the initial penalty of $1,000 for the overloading of ferries, a penalty of $10 for each passenger overloaded, and then a minimum penalty of $200 for the first offence and not less than $500 for a second or subsequent offence. This does not seem to be fair.

I do know that under certain circumstances minimum penalties are prescribed in legislation. Sometimes it is felt by those who make the laws—the departments, Cabinet, the political parties—that the judiciary do not act in accord with what is intended in the legislation. In this respect the Minister gave us an example of a case where a skipper overloaded his vessel with about 10 passengers. This was an undefended case, and the magistrate fined the offender only $10.

Without knowing all the facts of the case, such a light penalty seems to be insufficient. However, there might have been mitigating circumstances. It does appear that unless there were mitigating circumstances it was a very small fine to impose, and I am sure such a fine would not deter a skipper from overloading his vessel.

The SPEAKER: I would ask members to be in their seats.

Mr. HUTCHINSON: In that particular case the reason for the overloading could have been that there were 10 more passengers to convey, and if the skipper had not taken them on board they would have been left on shore overnight. It may be that there were 10 very small children or 10 babies in arms on the ferry, and this might have been a mitigating factor.

We should bear in mind that the regulation governing safety equipment provides for more equipment to be kept on board than is required to cater for the permitted number of passengers the vessel may carry. By no stretch of the imagination would I agree to overloading, but I recognise that at times there are mitigating circumstances.

We on this side do not like the prescription of minimum penalties, because this tends to restrict the courts in their decisions. It is not a good principle of justice. When I draw the attention of members to the next provision in clause 4 I am sure

they will recognise the cause of my concern. That particular part of clause 4 reads as follows—

> in addition to the further penalty imposed in relation to every passenger over and above the specified number, and the penalties imposed under this section shall be irreducible in mitigation notwithstanding the provisions of any other Act,

So, these penalties are irreducible in mitigation; in other words it is straightjacket justice. There is not the slightest shadow of doubt about that.

Let us look at the effect of such a provision. What is the good of a person going before a higher court if such a provision appears in the Act? There is no higher appeal. A magistrate will only be able to determine between the minimum penalty and the penalty of $1,000. A vessel may be overloaded by only one passenger and the only thing that a magistrate or a judge could do, for a first offence, would be to fine the operator $200. If it happened to be a second offence he would be able to do nothing but impose a fine of $500. I do not think that is fair; it does not make real sense at all. In my opinion the provision should be struck from the legislation.

I wonder whether members appreciate how difficult it is, at times, to keep the number of passengers down to the certificated number. There is no doubt that it should be done because we must have regard for the safety of passengers. However, many members must have been to Rottnest and observed the method by which the vessels take on passengers. When a vessel arrives at the jetty the passengers flood over the side and onto the vessel, in many cases. It does not happen in every instance, of course. However, usually as the vessel comes abreast of the jetty a wave of people climb aboard.

It is not easy to count the passengers as they board the vessels, and it is not easy to count them once they are on board. So there is every likelihood of an honest mistake occurring, and yet none of the fines is reducible in litigation. That just does not make sense to me. The provision will be straightjacket justice and I do not think it is necessary. I have spoken to a ferry captain, who was speaking on behalf of other captains, and he believed that the vessels should not be overloaded but situations did occur, at times, when the captains were expected to take one or two additional passengers. Who will the captain select to put off the vessel if he has one or two extra passengers? Such situations arise when the vessel concerned is the last one to return to the mainland from Rottnest.

I appreciate the facts and figures concerning the safety of passengers. I have administered the Act and I was not treated very sympathetically when there was a collision between two ferries on the Swan River. I was not treated at all sympathetically by those members who now occupy the Government benches, and that will be remembered by those who want to remember. I know the responsibility of the Minister in these matters but I do not believe we should be so tough as to say there are no mitigating circumstances at all. I come back to what I said when debating another piece of legislation: The posse philosophy—we must get somebody.

At the appropriate time during the Committee stage of the Bill I intend to try to persuade the Committee to amend clause 4. However, I think the other points which I have in mind can be discussed as we proceed through the Committee stage without too much fuss and bother. If the Minister will pay heed to my remarks, and reduce the figures I have mentioned, we will save a great deal of time and we will not reduce the safety feature of the measure. I support the legislation.

MR. FLETCHER (Fremantle) [10.50 p.m.]: I, of course, support the Bill and unlike some members opposite who have spoken to other Bills, I will not take three-quarters of an hour to make my support known to the House.

Mr. Hutchinson: I did not take three-quarters of an hour.

Mr. FLETCHER: I realise that and I do not want the honourable member to take umbrage at what I have said.

Mr. McPharlin: The member for Fremantle used to take three-quarters of an hour when he was on this side of the House.

Mr. FLETCHER: I can assure the member for Cottesloe that I was not alluding to him. I will support this Bill with greater enthusiasm if the Minister will permit me to amend clause 6 to make provision for additional representation on the manning committee. The manning committee will determine the number of men who should be engaged on the different craft.

It is my opinion that the manning committee should include a representative from the Seamen's Union, and another representative from the Marine Service Guild of Australia. A vessel would not go far without members of the Marine Service Guild or members of the Seamen's Union, and I think it is right and proper that those bodies should be represented on the committee. I intend to justify my intention to amend the Bill when it is in Committee.

With respect to the remarks made by the member for Cottesloe, I would suggest that some form of turnstile could be installed at the point of embarkation to ensure that the correct number of persons

were admitted to the ferries. If they were admitted, under supervision, through a turnstile system, the numbers could be controlled.

Mr. Hutchinson: Yes, I agree.

Mr. FLETCHER: My purpose in speaking was to make known my intention to amend clause 6.

Mr. Hutchinson: That is not a bad suggestion.

MR. JAMIESON (Belmont—Minister for Works) [10.52 p.m.]: I thank both members for their contributions to the debate. Two matters which have been mentioned are noncontroversial. The member for Fremantle indicated that he would move an amendment and I have no objection to the principle involved. I consider that if opinions are obtained from the people mentioned by the member for Fremantle arguments could be obviated at a later stage. It will be an advantage to have those representatives on the committee. I understand, after talking to the member for Fremantle, that similar provisions exist in the Federal marine Act, and they work rather well.

I am at variance with the member for Cottesloe regarding some of the penalties, but I intend to agree to his proposition that in mitigating circumstances there should be a right of appeal, and that the penalties should be set aside under the provisions of a higher court jurisdiction. I am prepared to go along with the proposal to that extent.

However, what the member for Cottesloe has said only illustrates how quickly inflation has occurred. An amount was changed from $40 to $100, but with the fall in the value of money even the amount of $100 is considered to be small. Only a few years ago it used to cost $1.50 for the trip to Rottnest but now it costs a minimum of $4, and on the hydrofoil it costs something like $6. It is obvious that the fares are increasing.

Overloading did occur last year, and in some cases as many as 75 extra passengers were carried. The overloading endangers the lives of all people on the vessels and this is something we should not play around with. We do not play around with drunken drivers. For a first offence there is a minimum period of disqualification, and a minimum fine, and the courts consider that the action they take is quite correct. I do not think anybody is growling about that action. If somebody is handling human lives he has to be responsible for the protection of those lives.

The ferries do not have full compensation coverage and if there were a tragedy many people would be left lamenting. The only reasonable way to handle the situation is to limit the maximum number of passengers within the scope of what the vessel is licensed to carry.

The member for Cottesloe did say that it was difficult to check the passengers as they went on board. Representations were made to me that the overloading was only a small percentage on certain days, which did not justify this type of legislation. However, the passengers do not board now in the same manner as they used to. They are checked on board properly, and the checking is insisted upon. It is reasonable that in those circumstances a ferry captain would know whether he had the correct number or an excess number of passengers on board.

The ferries are operating under new schedules and with the number of daily trips it is unlikely that anyone would be left on Rottnest Island. The operators know the approximate number of passengers who will be returning from the island because of the tickets they have sold, and they will make preparations accordingly if additional trips are necessary. In those circumstances it is not unjust that we should consider overloading to be a very serious offence.

The $1,000 referred to, to replace the fine of $100, is a maximum to which the courts can go. A minimum of $200 is also provided for a first offence. The courts have to have some guidance. They take the attitude that as no harm has been done, and everybody has arrived safely at their destination, only a nominal fine should apply. However, we do not want to take the risk. We want to restrict the number of passengers on the vessels while bearing in mind that we desire the maximum number of people to enjoy themselves at Rottnest Island. Those are the people who will be involved in this legislation. Naturally, the Rottnest Island Board of Control would not oppose additional ferries being placed on the run but it is certainly worried about overloading. Overloading gives the tourist trade to the island a bad name and at the same time collects dollars from the customers.

I see nothing wrong with the clause to provide extra penalties. On reflection, I agree with the member for Cottesloe that if mitigating circumstances can be proved in a court of appeal the court should have the jurisdiction to vary the fine in accordance with its determination. There is some justification for that variation to take place. The provision does exist in other forms of legislation. However, I am not prepared to vary the proposed penalties. I commend the Bill to the House.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (Mr. A. R. Tonkin) in the Chair; Mr. Jamieson (Minister for Works) in charge of the Bill.

Clauses 1 to 3 put and passed.

Clause 4: Section 44 amended—

Mr. HUTCHINSON: During my second reading speech I stated that I wished to see the penalties provided in this clause halved. I also referred to the fact that I would like to delete the reference that the penalties shall be "irreducible in mitigation".

The penalties prescribed in the Bill are tenfold increases on those currently applying. I would like to submit to the Minister that perhaps this matter could be looked at again. I do not want him to do this at this stage but I ask him to refer to the *Hansard* reports at a subsequent stage with a view to prescribing percentage penalties for overloading in respect of the certified number of passengers to be carried. I do not know whether this will work out, but it seems illogical that the owner of a vessel should be liable to a minimum penalty of $200 whether he has one passenger or 20 passengers too many.

In my view the passenger overloading law at present is not satisfactory. That is the only point I wish to make at this stage. Because I believe the prescribed penalties are too harsh, I move an amendment—

> Page 2, line 11—Delete the words "one thousand" with a view to substituting the words "five hundred".

Mr. JAMIESON: I have indicated already that I could not accept this amendment. I am prepared to ask the department to look at the honourable member's suggestion in regard to passengers. When this measure was introduced in the House articles appeared in the Press indicating the belief that every precaution should be taken in this matter. If a tragedy occurs through overloading, the Minister and the officers of the department will be blamed.

The penalties must be sufficient not only for the courts to take notice, but also to ensure that the operators are very careful. I do not believe the penalty of $1,000 is too harsh. The minimum penalty is $200, but in the case of a gross overloading of a ferry, it would be justifiable to impose the full penalty on the owner of the ferry. Surely even one human life is worth more than $1,000. I do not think our attitude is unreasonable in the circumstances.

Amendment put and negatived.

Mr. HUTCHINSON: I still believe that a halving of the penalties would suffice. I move an amendment—

> Page 2, line 14—Delete the word "ten" with a view to substituting the word "five".

This follows the principle I have already enunciated. I know that inflation has occurred since 1968, but I do not think to this extent. I believe a $5 penalty for each passenger over the certificated number would be sufficient.

Mr. JAMIESON: I indicate that I am not prepared to accept this amendment. The fares on some of the ferries on this run are in excess of the $5 proposed by the honourable member. It is the clear intention of the Legislature to take severe action. Members may recall legislation passed by the previous Government in connection with fisheries. A severe penalty was prescribed in respect of undersized fish. Although harsh under some circumstances, this penalty is fair and reasonable overall. The law must be obeyed.

Fares for the island trip are going up every year, and under the circumstances I do not think the penalty of $10 is too high.

Mr. FLETCHER: I would like to join the Minister in opposing the amendment. In doing this I draw the attention of the Committee to the article in today's Press in reference to the *Blythe Star* tragedy. The inquiry has revealed that the craft was top-heavy and improperly loaded. If too many people are carried on the one ferry, and particularly if a disproportionate number of these people seek accommodation upstairs in rough weather, a tragedy could occur. A pecuniary deterrent is necessary to emphasise this possibility.

Amendment put and negatived.

Mr. HUTCHINSON: Firstly, I wish to move to delete the first part of paragraph (b) down to and including the passage "dollars," in line 25. May I move such an amendment?

The DEPUTY CHAIRMAN (Mr. A. R. Tonkin): Yes.

Mr. HUTCHINSON: During the second reading debate I said that minimum penalties are a feature of legislation which is not regarded very highly by the legal profession. Minimum penalties act as a stricture on judgments handed down by the courts as it is possible that a judge may wish to impose a smaller penalty than the minimum stated in an Act. If the Committee will accept the amendment I propose to move, no minimum penalties will be prescribed under this legislation. However, it appears as though my amendment will be defeated, and if so it is my intention to move an amendment to delete the rest of the words on page 2. However, for the nonce, I move an amendment—

> Page 2, lines 16 to 25—Delete the passage—
>
> (b) by adding after subsection (2) a new subsection as follows—

(3) The penalties that may be imposed under subsection (2) of this section shall be—

(a) for a first offence, not less than two hundred dollars; and

(b) for a second or subsequent offence, not less than five hundred dollars,

Mr. JAMIESON: I do not believe that the rest of the paragraph will then make sense. It would read—

in addition to the further penalty imposed in relation to every passenger over and above the specified number, and the penalties imposed under this section shall be irreducible in mitigation notwithstanding the provisions of any other Act.

I again oppose the amendment. These penalties are to be imposed in relation to offences involving danger to human life.

A drunken driver is liable to a period of suspension of his license as well as a fine. We are not proposing to suspend the license of a ferry operator, but we do require him to operate within the law. Under the circumstances I oppose the amendment.

Amendment put and negatived.

Mr. HUTCHINSON: Head bloody but unbowed, I proceed. I move an amendment—

Page 2, lines 26 to 32—Delete the passage—

in addition to the further penalty imposed in relation to every passenger over and above the specified number, and the penalties imposed under this section shall be irreducible in mitigation notwithstanding the provisions of any other Act.

I am not sure whether I heard the Minister say that he may agree to the deletion of these words.

Mr. Jamieson: I told you that very clearly.

Mr. HUTCHINSON: In that case there is no need for me to proceed to speak on the amendment at any great length. I just want to say that one can see the need for imposing a minimum penalty but it would not be wise to administer straightjacket injustice.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 5 put and passed.

Clause 6: Sections 21C to 21J added—

Mr. FLETCHER: I assume that my amendment has been circularised among members. My intention is clear; it is to have a representative of the Seamen's Union of Australia and a representative of the Merchant Service Guild of Australia on the manning committee. The Minister has already pointed out that to include two such representatives would not be inconsistent with the provisions contained in the Commonwealth Act. I have gone to the trouble to look at the State Electricity Commission Act to find out that one person who is an employees' representative is appointed as a member of the commission. Therefore I am not breaking new ground with the wording contained in my amendment. I do not know how these maritime personnel were overlooked in not being granted a representative on the manning committee. I therefore move an amendment—

Page 9—Insert after paragraph (c) the following new paragraphs to stand as paragraphs (d) and (e)—

(d) one shall be a representative of the Seamen's Union of Australia, selected by the Minister from a panel of three names submitted to the Minister by that Union;

(e) one shall be a representative of the Merchant Service Guild of Australia, selected by the Minister from a panel of three names submitted to the Minister by that Guild.

I believe if that amendment is agreed to we would have more balanced representation on the manning committee. The two representatives suggested will be experts in their own field. The representative of the Merchant Service Guild could be selected from any of the officers from the captain downwards, and the representative of the Seamen's Union could be selected from the various grades of seamen serving on the ships.

As I said earlier, I do not know how far a ship would travel without the aid of these personnel. Therefore they should be represented on the manning committee in order to give their organisations some say in regard to how many men should constitute the crew of a ship.

Mr. JAMIESON: I propose to accept this amendment. The insertion of these paragraphs will probably prevent a great deal of argument afterwards should the personnel of the ship be affected. Bearing in mind that the Commonwealth Act is of far greater import than the State Act in view of the fact that it deals with much larger ships, that Statute allows cooks and other ships' personnel to be appointed as members of the manning committee to determine how a ship shall be staffed. In respect of our small coastal trading ships it is likely that we will be dealing only with deck hands on board the ship or

those in charge of the ship, and the suggested representatives in the amendment could improve the representation on the manning committee.

Mr. HUTCHINSON: I prefer that these representatives be not included in the legislation. In his second reading speech the Minister stated—

> The proposed manning committee would consist of the Manager, Harbour and Light Department, a nautical adviser, and the senior engineer from the department, and two persons representing the owner of the ship in respect of which the manning committee is to make a determination.

I can see reason for any number of people being appointed as representatives of this manning committee, but it is important that they should be experts in their fields to determine the unusual circumstances that would require departures from the regulations laid down under the Act.

In my second reading speech I indicated that the Act itself provided for the control and management of this class of ship. Section 17 of the Act, which contains the regulation-making power, provides for such things as prescribing the number and description of persons to be carried as crew of any kind or class of coast-trade ship or harbour and river ship, and provides for the granting of exemptions from any such regulations. The same section provides for matters relating to accommodation to be provided for the crew, the adjustment of compasses, and the survey of ships and vessels by engineer surveyors and ship surveyors.

I would have thought that the composition of the manning committee, as described by the Minister in his second reading speech, would have been more appropriate than to include two more representatives whom the member for Fremantle wishes to see appointed. I suppose I must bow to the superior weight of numbers in regard to this matter.

Mr. Bickerton: The brutal majority.

Mr. HUTCHINSON: Yes. Therefore all I can do at this juncture is to accept the amendment.

Mr. FLETCHER: Replying to the observations made by the member for Cottesloe, I point out that despite the representation by these people, which I think is a democratic move, proposed new section 21G provides the following—

> the person holding or acting in the office of Manager of the Department, or an officer of the Department nominated in writing by him, who shall be Chairman;

The chairman's right to vote would not be influenced by the representation of these two people. He would still have the casting vote in his capacity as chairman. Consequently I cannot see any harm being done by the appointment of these two people.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 7 put and passed.

Title put and passed.

Report

Bill reported, with amendments, and the report adopted.

SUPERANNUATION AND FAMILY BENEFITS ACT AMENDMENT BILL (No. 2)

Returned

Bill returned from the Council without amendment.

WESTERN AUSTRALIAN INSTITUTE OF TECHNOLOGY ACT AMENDMENT BILL

Order Discharged

MR. J. T. TONKIN (Melville—Premier) [11.25 p.m.]: I move—

> That Order of the Day No. 5 be discharged from the notice paper.

Question put and passed.

Order discharged.

House adjourned at 11.26 p.m.

Legislative Council

Wednesday, the 5th December, 1973

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

QUESTION WITHOUT NOTICE

PROBATE DUTY

Exemption

The Hon. I. G. MEDCALF, to the Leader of the House:

(1) Is it a fact that New South Wales has a general exemption from State probate duty for New South Wales estates up to $50,000 as indicated in the third reading debate on the death duty Bills in the Legislative Assembly?

(2) If not, what is the limit below which there is no State probate duty for domiciled citizens of New South Wales?

(3) What would be the additional annual cost to the revenue in this State if an exemption were