The second category to become eligible for registration under the Bill is a group of persons who may have expert knowledge in one or more aspects of teaching as applied to physiotherapy. This would enable the local school to engage the services of persons who have developed advanced techniques in specialised aspects of physiotherapy where those persons do not hold qualifications recognised under the Physiotherapists Act. I commend the Bill to the House.

Debate adjourned, on motion by Mr. Norton.

House adjourned at 8.48 p.m.

Legislative Assembly

Thursday, the 31st August, 1967

The SPEAKER (Mr. Hearman) took the Chair at 2.15 p.m., and read prayers.

QUESTIONS (27): ON NOTICE

1. and 2. *These questions were postponed.*

HIGH SCHOOL AT ROSSMOYNE

Areas Served, and Enrolments

3. Mr. ELLIOTT asked the Minister for Education:

(1) From which areas will students at the new Rossmoyne High School come?

(2) What grades will be accepted for enrolment in 1968?

(3) How many students are expected to be enrolled when the school opens?

(4) Is construction of the school progressing at a satisfactory rate?

Mr. LEWIS replied:

(1) Brentwood, Riverton, Rossmoyne, and portions of Cannington and Canning Vale.

(2) First-year high school.

(3) Estimated 200.

(4) Yes. Construction should be completed prior to the opening of the school.

BURNING OFF IN THE METROPOLITAN AREA

Lifting of Sunday Ban

4. Mr. DUNN asked the Minister for Lands:

Acknowledging the necessity for a ban on Sunday burning off in country areas, because most land owners are away from their homes on this day, and in view of the fact that in areas covered by the Metropolitan Region Plan most householders are away from their homes during week days but home on Sundays, would he give consideration to lifting the ban on Sunday burning off in the Metropolitan Region Plan area?

Mr. BOVELL replied:

There is no Sunday ban on burning off in the metropolitan fire district. In those areas outside the metropolitan fire district, but within the Metropolitan Region Plan area, shire councils which have applied to the Bush Fires Board for permission to allow Sunday burning off have been granted this concession. Each application is treated on its merits.

SWAN QUARRIES

Dust Control

5. Mr. ELLIOTT asked the Minister representing the Minister for Health:

What developments have occurred since his department's request to Swan Quarries to create adequate dust control at the company's Orange Grove establishment?

Mr. ROSS HUTCHINSON replied:

The company called for tenders for dust control equipment. It has ordered a turbulaire scrubber with a capacity of 18,000 cubic feet per minute to control the emission of dust from the quaternary crusher, which is a major source of air pollution. At the same time, acting on the advice of the department, the company is seeking further information about means of suppressing dust at other sources of emission.

ARTICLED CLERKS, LEGAL PRACTITIONERS, AND MAGISTRATES

Number

6. Mr. GUTHRIE asked the Minister representing the Minister for Justice:

(1) How many clerks have been articled to the Crown Solicitor since the Legal Practitioners Act Amendment Act, 1948, became law?

(2) What number of such clerks had previously been officers of the State Public Service?

(3) In the same period as mentioned in (1), how many clerks have been articled to private practitioners?

(4) How many clerks articled to the Crown Solicitor during the period mentioned in (1)—

(a) have been admitted to practice;

(b) on admission have become law officers in the Crown Law Department?

(5) On the 30th June, 1967, how many legal practitioners—
  (a) held annual practice certificates;
  (b) were deemed certificated by section 62A of the Legal Practitioners Act;
  (c) were in fact employed as law officers in the Crown Law Department;
  (d) holding annual practice certificates, practised in—
    (i) the metropolitan area;
    (ii) the country areas?

(6) On the 30th June, 1967, how many magistrates were there in—
  (a) the metropolitan area;
  (b) the country areas?

Mr. COURT replied:

(1) 16.

(2) 6 had been permanent officers.

(3) 248.

(4) (a) 12.
  (b) 11 were employed in the department as legal practitioners on admission. Three of these later resigned.

(5) (a) 297.
  (b) 33.
  (c) 25 were permanently employed in the Solicitor General's office as legal practitioners and three were temporarily so employed.
  (d) (i) 258.
    (ii) 39.

(6) (a) 19, including the City Coroner, a special magistrate and a magistrate temporarily employed.
  (b) 9.

FLOWERS

Restrictions on Entry into Western Australia

7. Mr. DAVIES asked the Minister for Agriculture:

(1) Are there any restrictions on the bringing into this State of cut flowers from other Australian States, either by private individuals or firms?

(2) If so—
  (a) what are the conditions of entry in each case;
  (b) what procedure should be followed;
  (c) what officers are authorised to confiscate or withhold flowers;
  (d) at what points of entry are inspections made;
  (e) who makes inspections;
  (f) what is the likely delay in having flowers returned once they have been withheld?

Mr. LEWIS (for Mr. Nalder) replied:

(1) Yes. The flowers are subject to inspection.

(2) (a) The flowers are required to be free from pests and diseases and from prohibited plant material.
  (b) No previous advice is necessary. Prior advice of commercial consignments facilitates early release at the airport.
  (c) Inspectors appointed under the Plant Diseases Act.
  (d) Mostly at Perth Airport, though some inspections are made at Fremantle wharf and interstate trains at Kalgoorlie.
  (e) Airport attendants are gazetted as inspectors. Flowers taken from passengers at the airport are sent to airways offices where inspection is made by qualified inspectors.
  (f) There is a short delay. Flowers arriving on midday planes are available for release between 2.30 and 3.00 p.m. on the same day. Those arriving on night planes are available round 9.30 a.m. the following morning.

CIGARETTE ADVERTISING

Measures to Counter

8. Mr. FLETCHER asked the Minister representing the Minister for Health:

(1) Is he aware of comment by Professor W. B. McDonald, Head of W.A. University Child Health Department, in *The West Australian* on the 13th July, 1967, that—
  (a) cigarette advertising is focused almost entirely at young people who can, by commencing to smoke in youth, reduce life expectancy by up to 20 years;
  (b) counter propaganda is necessary to offset this vested interest advertising?

(2) Will he attempt to curtail advertising, particularly on TV; if not, or in any case, will he prevail upon the Public Health Department, the medical profession and the A.B.C. —and other stations if possible— to give equal or optimum time to counter the propaganda to induce smoking?

Mr. ROSS HUTCHINSON replied:

(1) Yes.

(2) The attempt has already been made.

9. *This question was postponed.*

TRAFFIC CASE

Newspaper Report, and Competency of Magistrates to Criticise Statutes

10. Mr. GRAHAM asked the Minister representing the Minister for Justice:

(1) Has he seen a newspaper report (*The West Australian*, the 30th August, 1967) with the headline "S.M. Critical of Penalty"?

(2) Is it proper or competent for a member of any bench to criticise publicly any statute?

(3) What is the proper course to be followed by judges, magistrates, or justices of the peace who have opinions of the law at variance with the decisions of Parliament?

(4) Does the Government consider that failure to give way to traffic to the right is a "comparatively minor offence"?

Mr. COURT replied:

(1) Yes.

(2) to (4) The stipendiary magistrate concerned has advised that the only comment he made on the case in question was "this is one of those unfortunate consequences which sometimes occur when the discretion of the court is removed". This comment, in the magistrate's view, did not justify the headlines given in the newspaper report, as his remarks were not intended as a criticism of Parliament but merely to point out the consequences on the defendant before him.

The defendant was not charged with failing to give way to a vehicle on the right as reported in *The West Australian;* he was charged with driving out of a parking area and failing to give way to another vehicle.

The facts of the case were that the defendant who was employed as a van driver had parked his car in Hay Street, Perth, near Coventry Motors facing west. Upon entering his car, he checked in his rear vision mirror for traffic approaching from behind, and saw no vehicles. He then extended his right arm and commenced to move away from the kerb at a slow pace, and had moved about 2 to 3 feet when a passing car scraped his front right mudguard. The damage was very minor to both vehicles. Upon the defendant being convicted for moving out from the kerb and failing to give way to another vehicle, he informed the magistrate that he was a probationary driver and the automatic cancellation of his licence would result in his losing his job. It was then that the magistrate made the above comment and added that he was sorry to hear that the defendant would lose his employment over what was a comparatively minor offence. It was then that section 669 of the Criminal Code was referred to, but the magistrate stated that he was loth to fall back on that section to save the defendant's job, as to do so would in effect be defeating the will of Parliament. He reserved his decision in order that he could contact the defendant's employer, who, after being informed of the position, agreed to give the defendant a trial in a clerical position and, providing he proved satisfactory, stated he would retain him in this capacity.

TRAFFIC ACCIDENTS

Number, and Failure to Give Way to the Right

11. Mr. GRAHAM asked the Minister for Police:

(1) For the last year for which figures are available, how many traffic accidents occurred at road intersections and junctions in the metropolitan area?

(2) Of these, how many are attributable to failure to give way to the right?

(3) How many cases have been reported of motorists failing to observe the regulation?

Mr. CRAIG replied:

(1) For the period the 1st January, 1966, to the 31st March, 1967—8,930.

(2) For the period the 1st January, 1966, to the 30th June, 1966—1,585. The statistician has ceased tabulating on this basis since the 30th June, 1966.

(3) Could this be clarified as I am in some doubt as to the information the honourable member requires. It may perhaps be partially answered by the information that for the months of March to July, 1967 (inclusive), 966 cases of failing to give way to the right were reported for prosecution in the metropolitan area and 89 cautions were given.

I might add that it will be obvious to the Deputy Leader of the Opposition that the dates given in the answer do not coincide with those in his question, but to give the information according to the dates he mentions would entail some time. I can secure the

information the honourable member desires if he still requires it, but I felt that this answer would meet his inquiry for the present.

Mr. Graham: Your assumption is correct.

12. *This question was postponed.*

SECONDHAND WOOLPACKS

Safeguard against Noxious Weeds and Diseases

13. Mr. GRAYDEN asked the Minister for Agriculture:

(1) Can he say what measures are taken to ensure that no noxious weeds or diseases are introduced in imported secondhand woolpacks?

(2) Which Government department, State or Federal, is responsible for the inspection and treatment, if necessary, of imported secondhand woolpacks?

(3) How extensive is this trade in secondhand woolpacks at present and from what countries are these woolpacks being imported?

(4) Is there any significant weight difference between new and secondhand woolpacks?

Mr. LEWIS (for Mr. Nalder) replied:

(1) Under Commonwealth quarantine regulations imported secondhand woolpacks are held in bond for three months in order that any disease organisms which may be present lose their viability. During this period inspections are made for noxious weed seeds. If any are located, the woolpacks must be re-exported or destroyed.

(2) In relation to diseases, the Department of Agriculture acts on behalf of the Commonwealth Department of Health and inspection for weed seeds is the direct responsibility of the Department of Agriculture under the Noxious Weeds Act.

(3) During the past twelve months, 28,360 used woolpacks have been imported from Japan.

(4) No.

MOTOR VEHICLE LICENSES

Pensioner Concessions

14. Mr. MOIR asked the Minister for Police:

(1) Will he state what category of pensioners are entitled to free or concession vehicle licenses?

(2) What are the additional income provisions affecting the concession?

(3) Do qualified pensioners who are in receipt of the concession remain so entitled when their pension is changed to an aged pension?

(4) Are qualified pensioners who have not received the concession still entitled to the concession when their pension is changed to the age pension?

Mr. CRAIG replied:

(1) (i) Civilian invalid pensioners.

(ii) Service pensioners as defined by section 85 (2) of the Repatriation Act.

(iii) Totally and permanently incapacitated servicemen.

(2) (i) Civilian invalid pensioners—free license if income does not exceed the basic wage; half rate if income does not exceed $6 per week above the basic wage.

(ii) Service pensioners—same as for civilian invalid pensioners.

(iii) Totally and permanently incapacitated pensioners—free license if total income is not significantly in excess of repatriation pensions.

(3) Yes.

(4) This would apply only in the case of civilian invalid pensioners. Such a person could be granted a free license if he were so classified before reaching the age of entitlement to the age pension and had a vehicle registered in his name whilst classified as an invalid pensioner.

POLICE

Used Car Dealers: Checks

15. Mr. MOIR asked the Minister for Police:

(1) What is the number of used car dealers operating in the metropolitan area?

(2) How many of these dealers have had vehicles checked for roadworthiness by the Police Department in the last twelve months?

(3) How many checks have been made on the respective premises?

(4) How many vehicles were checked in this period and with what result?

(5) How many officers are engaged full time on this work?

Mr. CRAIG replied:

(1) As at the 31st August, 1967—266.

(2) and (3) During the year ended the 30th June last, all dealers' premises were visited at least once. Some have been visited several times. The frequency of the visits is determined by the

general circumstances of the business and the type of vehicle being handled.

(4) Of 1,557 vehicles checked, 938 were declared unfit for sale. Subsequently 619 were repaired and passed as satisfactory; 170 were sold as scrap, and 149 are still under repair.

(5) One sergeant and three constables.

POTATOES

Control of Wilt

16. Mr. ROWBERRY asked the Minister for Agriculture:

(1) Has the recent outbreak of wilt in potatoes in the State been brought under control?

(2) What were the causes of the outbreak and spread of the disease in this instance?

(3) What generally are the causes of this disease?

(4) What methods of control and eradication were used in this instance?

(5) Are any methods of prevention of this and other diseases constantly in use by the Department of Agriculture?

(6) If so, what are these methods?

(7) Is he satisfied with the present state of methods of control and prevention of disease in potatoes or is further and more intense research required?

(8) If so, can he inform the House as to what is intended to be done in the matter?

Mr. LEWIS (for Mr. Nalder) replied:

(1) This will not be known for certain until subsequent potato crops have been examined for the disease.

(2) The evidence suggests that the main cause of the outbreak was from the use of infected potato seed.

(3) The disease is generally due to the use of infected seed or planting infected paddocks.

(4) Control measures implemented were—

(a) quarantine of infected paddocks for a period of five years;

(b) prevention of use of potato seed from quarantined areas;

(c) disinfection of plant equipment, sheds, and machinery, and destruction of bags used to harvest the crop;

(d) control of the distribution of ware potatoes from infected crops to specific outlets.

(5) Yes.

(6) Control measures are as those recommended in departmental bulletin No. 2765 and quarantine measures as outlined in the supplement to *The Potato Grower*, May, 1967, copies of which are tabled herewith.

(7) and (8) Yes. A very close examination of seed crops will be continued and with the co-operation of growers it is anticipated that the disease will be arrested.

Copies of "The Potato Grower" supplement were tabled.

POTATO MARKETING BOARD

Travelling Expense Accounts

17. Mr. ROWBERRY asked the Minister for Agriculture:

(1) Is he aware that item No. 3 of the Auditor-General's report on the potato board's account has the following:—

> The following amounts were drawn as advances against travelling. No expenses accounts have been submitted and the advances have not been repaid.
>
> $100.00 drawn 20th April, 1966 by P. Carter, travelling to Singapore. $30.00 drawn 21st April, 1966 by P. Harvey —no further details.
>
> $160.00 drawn 7th September, 1966 by P. Harvey, travelling to Sydney.
>
> $80.00 drawn 7th September, 1966 by H. Threlfall, travelling to Sydney.

(2) Who are H. Threlfall, P. Harvey and P. Carter respectively?

(3) Is it the usual custom to supply expense accounts with the above items?

(4) If so, why was it not done in this case?

(5) Does he intend to take any action in this matter?

Mr. LEWIS (for Mr. Nalder) replied:

(1) Yes.

(2) H. Threlfall—Chairman of Western Australian Potato Marketing Board.
J. Harvey—Manager of Western Australian Potato Marketing Board.
P. Carter—Grower Member of Western Australian Potato Marketing Board.

(3) Yes.

(4) Expense accounts were not to hand at the time of audit, but they have since been supplied to the satisfaction of the Audit De-

partment. This action is shown in the chairman's report dated the 31st March, 1967, and tabled in the House on the 1st August.

(5) No.

VETERINARIANS

Country Practices: Guarantees

18. Mr. RUNCIMAN asked the Minister for Agriculture:

(1) What amount is guaranteed by the Government and local authorities to veterinary surgeons to practise in the country?

(2) Has it been necessary for any veterinary surgeon under this scheme to claim the guarantee?

Mr. LEWIS (for Mr. Nalder) replied:

(1) The maximum amount guaranteed by the Government to a local authority or group of local authorities acting jointly for this purpose is $2,000 in any one year.

(2) Yes—there have been eight subsidised practices with 10 practitioners established since 1962, and a total of $8,168 has been paid to four local authorities up to the present time.

POTATOES

Exports: Conditions of License

19. Mr. NORTON asked the Minister for Agriculture:

In answer to question 12, of the 29th August, 1967, he indicated that the potato board would grant a license to grow potatoes for overseas export provided that the potatoes were sold in accordance with conditions approved by the board.

What are the conditions that the board would require?

Mr. LEWIS (for Mr. Nalder) replied:

The reply to question 12, of the 29th August, 1967, was to the effect that it would be unnecessary to amend the Potato Marketing Act to provide for the issue of a license by the board to grow potatoes for export to the Near East.

The question of issuing such licenses and the conditions that would apply are being considered by the board in consultation with representatives of the industry and of the Department of Agriculture.

CORONERS ACT

Selection of Juries

20. Mr. SEWELL asked the Minister representing the Minister for Justice:

What procedure is adopted pursuant to the Coroners Act in selecting a jury?

Mr. COURT replied:

Sections 28 to 34, inclusive, of the Coroners Act are relevant. It is the practise for the city coroner to select three persons whom he regards as being suitably qualified and competent to adjudicate upon the problems, technical or otherwise, associated with the particular inquest.

EGGS

Plan for Expansion of Industry

21. Mr. DUNN asked the Minister for Agriculture:

(1) Is he aware of any factors which would indicate a large increase in the production of eggs over the next 12 months?

(2) If there is an overproduction of any magnitude, what is the likely effect on existing producers in regard to—
(a) home market;
(b) export market;
(c) price?

(3) What consideration has he given to a plan for organised expansion of hen population drawn up by the Poultry Farmers Association of W.A. in conjunction with the Western Australian Egg Marketing Board?

(4) Does he agree that this plan, if implemented, would benefit all sections of the industry including consumers?

(5) Is he aware that this plan has been endorsed by the Federal Council of the Poultry Farmers Association of Australia, which includes representatives from poultry organisations from every State in Australia?

Mr. LEWIS (for Mr. Nalder) replied:

(1) The State's egg production is expected to rise this year by approximately 11 per cent., from a recorded production of 9,800,000 dozen eggs in 1966-67.

(2) (a) This increase in production is not regarded as being excessive, as local consumption is rising all the time and last year only 4.29 per cent. of the State's total egg production was exported.
Most of this year's increase in egg production is expected to be absorbed by the local market.

(b) If the egg production reaches the anticipated 10,900,000 dozen, approximately 11 per cent. of these eggs should be exported. This figure is below the corresponding figures for the five years, 1961-62 to 1965-66, when the average was 14.7 per cent.

(c) This year's average price to the egg producer could fall to 39¾c, which is ½c less than the 1966-67 price of 40¼c.

(3) The matter of organised expansion of the hen population is being considered at a Commonwealth level and no decision for Western Australia is contemplated until the national position has been fully examined.

(4) A national plan could benefit the industry, but a State plan by itself could be rendered ineffective by overproduction in other States.

(5) Yes.

ELECTRICITY SUPPLIES

Contributory Group Schemes

22. Mr. GAYFER asked the Minister for Electricity:

(1) What phase and what voltage is available to members of contributory group schemes?

(2) What is the current suitable for—

(a) household;

(b) workshop equipment?

(3) Could examples be given showing the breakup of costs to persons entering a contributory group scheme?

(4) Is there such a thing as an isolated settler's grant to cover a person unfortunately situated outside the economic boundary of a group whose initial charges are increased by his or her proposed admission?

Mr. LEWIS (for Mr. Nalder) replied:

(1) Single phase 250 volt two wire or 500/250 volt three wire.

(2) (a) and (b) Transformers capable of 20 amps. or of 40 amps. at 250 volts are available.

(3) The breakup of costs is determined by the members of the group for themselves and usually they choose to share the costs equally.

(4) No.

NOISY SCRUB BIRD

Investigation for Suitable Habitat

23. Mr. HALL asked the Minister representing the Minister for Fauna:

(1) Will he agree to have areas of the State, other than Two People Bay, investigated for habitation of the noisy scrub bird?

(2) If "Yes," will he agree to accompany me to such areas reported?

Mr. ROSS HUTCHINSON replied:

(1) Much effort has already been expended by ornithologists and departmental officers investigating other areas reported, or thought likely, to be inhabited by the noisy scrub bird, but, so far, without success. These efforts are being continued as opportunity offers.

(2) This would depend upon the circumstances at the time. In any case an ornithologist's advice would be needed on such an inspection.

NATIONAL FITNESS COUNCIL

Touring Grant by Government

24. Mr. RHATIGAN asked the Premier:

Because of the appreciation shown by the people of the north to those organisations whose personnel visited that area and provided sporting and social entertainment, thus contributing towards improved living standards, will the Government make a financial grant to the National Fitness Council and/or any other body that may have contributed?

Mr. COURT (for Mr. Brand) replied:

The policy of the Government is to consider grants to various bodies if and when these bodies seek financial assistance.

25. *This question was postponed.*

HOUSING

Forrestfield: Completions and Programme

26. Mr. DAVIES asked the Minister for Housing:

(1) How many houses have been constructed by or on behalf of the State Housing Commission in the Forrestfield area?

(2) How many houses are proposed for future programmes?

(3) When is it anticipated the programme(s) will be proceeded with?

Mr. O'NEIL replied:

(1) Completed to the 30th June, 1967—

Commonwealth-State Housing Agreement	28
State Housing Act	85
War Service Homes	5
Total	118

Under construction at the 1st July, 1967:

Commonwealth-State Agreement	7
State Housing Act	7
Total	14

(2) At the present time, the commission holds no further land immediately available for housing

development, but an area of the old gravel pits approximating 100 acres has been set aside at the Lands Department for possible future commission use.

The utilisation of this land will depend upon the result of feasibility studies and the economics of its development for housing purposes, and subject to its rezoning from the present rural classification.

(3) Subject to the outcome of (2) above.

APPRENTICES

Travel Concessions for Training

27. Mr. DAVIES asked the Premier:

(1) What travel concessions—air, sea, or land—are extended to tradesmen apprentices employed in the north of this State and required to travel to larger centres or to Perth for further trade training?

(2) Are similar concessions extended to any other category of employees?

(3) If training in Perth, are apprentices given concession travel to their homes?

(4) If so—

(a) what is the form of the concession;

(b) how often is it extended?

Mr. COURT (for Mr. Brand) replied:

(1) Return fares are paid to enable apprentices in the north to attend annual two-week intensive courses in Perth.

(2) No.

(3) Where an apprentice is indentured to an employer in Perth, no.

(4) Answered by (3).

QUESTION WITHOUT NOTICE

TRAFFIC CASE

Newspaper Report, and Competency of Magistrates to Criticise Statutes

Mr. GRAHAM asked the Minister representing the Minister for Justice:

Adverting to question 10: I want first of all to thank the Minister for the detailed information which was supplied concerning a particular case. But I think he will agree—as will you, I trust, Sir—that parts (2), (3), and (4) of the question were not answered. Will the Minister therefore please confer with his colleague in another place with a view to having the necessary answers supplied?

Mr. COURT replied:

I will most certainly refer the honourable member's request to the Minister concerned. I felt he had, in the main, covered the points in the question; but I can see that part (3) of the question might be the one most under consideration. I will, however, discuss this with the Minister concerned.

Mr. Graham: Parts (2), (3), and (4), please.

BILLS (2): INTRODUCTION AND FIRST READING

1. Iron Ore (Hanwright) Agreement Bill.

Bill introduced, on motion by Mr. Court (Minister for Industrial Development), and read a first time.

2. Education Act Amendment Bill.

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

IRON ORE (NIMINGARRA) AGREEMENT BILL

Second Reading

Debate resumed from the 24th August.

MR. BICKERTON (Pilbara) [2.40 p.m.]: The agreement contained in the Bill before us is between the Government of Western Australia and Sentinel Mining Company Inc. for the development of iron ore deposits. Similar agreements have gone through the House, and they were made between the Government and a number of other companies which were carrying on operations in iron ore mining.

Like some of the other agreements which came before us, this one will enable the company concerned to proceed with the exploration of the deposits and to find markets for the products prior to the company making a decision whether it will or will not carry on with the project. Under the agreement the company is permitted to export iron ore, provided it can obtain export licenses from the Commonwealth; and it is obligated, at a later stage, to erect secondary industries by way of a metallised product mill, or a plant to produce ferro manganese.

The deposits which the company will develop under this agreement are at Nimingarra and Mt. Rove, which are some 90 miles due east and 180 miles south-east of Port Hedland respectively. According to the Minister, quite a large sum of money has already been expended by the company on preliminary exploration, and from what I have seen of its operations I understand this to be correct. Should the company decide to proceed, after a certain amount of exploration work has been carried out, and after certain moneys have been expended, it will be obliged to establish townships, port facilities, railway lines, roads, etc.

I can find no complaint with the tonnages which the company is expected to produce, should it decide to proceed with the development. The royalties are to be fixed at the same scale as those applicable

to similar agreements; and we have already discussed this question in the House. As Parliament has already agreed to the scale of royalties laid down in the other agreements, I find little to criticise in respect of the royalties to be paid by the Sentinel Mining Company. As the Minister pointed out, there is provision in the agreement for the royalties to be increased should the company not proceed, within a specified time, with its secondary industries; that is, the establishment of a metallised product mill or the ferro manganese mill.

As the agreement before us is so similar to the others that have been ratified by Parliament, I can see no great benefit from dealing in detail with the clauses in the agreement. The provisions in these agreements have been criticised from time to time, and many alterations have been suggested. However, the Government has seen fit to arrive at a similar agreement in this case, and I have no doubt that it feels it has the support of sufficient numbers in the House to ratify the agreement.

The two main issues to be dealt with are the two controversial clauses in the agreement. One deals with the Interpretation Act, and under this provision the agreement will not be subject to that Act; the other is the variation provision. To refresh the minds of members before they vote on the second reading, I should point out that the other agreements were arrived at in a manner which did not make them subject to certain provisions of the Interpretation Act—in particular, section 36 of that Act. That section deals with the making of regulations and by-laws, and lays down the parliamentary procedure which has to be adopted in connection with them.

Without reading out section 36 in full, briefly it provides that regulations be tabled within a specified time of their being made; that they be published in the *Government Gazette*; and that they remain on the Table of the House for a fixed period to enable any member of either House to move for their disallowance.

The portion of the Interpretation Act which the agreement before us overrides is that which allows any member of Parliament to move for the disallowance of regulations. The rest of the procedure laid down in the Interpretation Act will, of course, apply. All rules, regulations, and by-laws made under this agreement will be tabled in the House; but there is absolutely nothing which a member can do if he disagrees with any of them. That is the controversial issue in this case, as it was in a number of other cases when similar agreements went through Parliament.

It is true the first agreement which contained such an exemption from the Interpretation Act went through without the exemption being noticed; it was not picked up until the Bill was considered in another place. Subsequently the measure was returned to this House, and a considerable amount of discussion took place on the question. However, the Government carried the day and the agreement, with the exemption I have described, was ratified. Regulations and by-laws made under that particular agreement could not, therefore, be disallowed.

The Tasmanian iron ore agreement is similar to the one before us, and to the others which have gone through; but I cannot find anywhere in the Tasmanian agreement a provision which makes the company not subject to Tasmania's equivalent of our Interpretation Act. Apparently that State has not found it necessary to override the Interpretation Act. As I understand the position in Tasmania, all regulations or by-laws which are made under the Savage River iron ore agreement have to run the gauntlet of Parliament, in the same way as other regulations.

On previous occasions, the Minister has pointed out that the reason for this discrepancy is that in our agreements the companies are responsible for supplying all of their facilities and services; their methods of transport; their townsites; and their harbours; and, as a result, it would be awkward to make regulations and by-laws under the existing Acts because those Acts may not necessarily give sufficient power to enable regulations concerning private property to be made. In other words, I take it he means that a regulation made under the Government Railways Act would not necessarily be applicable to a private railway. I imagine the alternative would be to amend the various Acts so that facilities the companies are supplying would come under the jurisdiction of those Acts. However, rather than do that, the provision of which I am speaking has been inserted in this agreement.

I suppose that is one way of getting around it; but I think it is rather distasteful to members that regulations and rules can be made—even though they apply to the property of private companies—without Parliament having any say whatsoever regarding their disallowance, particularly as many of the regulations would affect the public in so far as private railways, roads, and wharves are concerned. The public have to cross railways and roads, and a regulation should provide for the minimum of inconvenience. In the circumstances I have outlined, this Parliament, which is supposed to be responsible for the welfare of the public, can do little or nothing.

It is true that if the Minister disagrees with a regulation it must go to arbitration. The Interpretation Act was in no way interfered with in the Koolyanobbing agreement, and the agreement with B.H.P.; but, of course, the reason put forward was that those agreements differed

slightly, in that the Government was supplying money for facilities such as railways and roads, and doing much to assist in the establishment of the townsite.

The provision which now appears in this agreement is something new. It first came before us in 1964, and is a departure from the procedure that has operated in this Parliament ever since there has been a Parliament in Western Australia; and it is up to the members of the House to say whether they agree with this departure or not. Personally I regret very much that it has been found necessary to override our Interpretation Act in order to obtain an industry, or industries.

I might say that these industries are doing a wonderful job as far as the north-west is concerned, and as far as Western Australia is concerned; but I think they are just as happy to be there as we are to have them. In negotiating with these companies, I cannot understand why the Minister had to go quite as far as he did —that is, to draw up an agreement the provisions of which are not subject to the Interpretation Act.

I feel sure that if the companies have sufficient faith in this Parliament to have the agreements ratified in the first place, they would have sufficient faith in it to say it is a fair and democratic Parliament; and if a regulation were disallowed they would admit it was their bad drafting which caused the disallowance and not the unfairness of Parliament.

I do not think it would be possible to get a majority of members to disallow a regulation solely for the purpose of disrupting the work of a company, particularly one that was carrying out its obligations. Of course, if a company were not carrying out its obligations, then Parliament would do something about it. That is what we are here for.

Much of the discussion that has taken place on iron ore agreements has centred around the particular point of taking away from Parliament powers which it previously possessed. If we continue along these lines more and more agreements of a similar nature will be passed, and I have no doubt that any industry setting up in Western Australia, whether it supplies its own facilities or not, will want this provision in its agreement. However, previous to this insertion in agreements, companies would never have thought of making such a request.

I do not think we can do much about previous agreements, but I suggest to members from now on they should oppose any agreement that is not subject to the Interpretation Act, because it is bad if rules, regulations, and by-laws can be made without Parliament having any say as to what should be done in the public interest.

In all fairness I must say the agreement provides that the Governor may make by-laws and regulations when he is approached by the company. I readily admit the measure does not say he "shall"; but to my way of thinking this is not a sufficient safeguard. It is not the same safeguard as there is when regulations have to be tabled, and seen by members; and if a member thinks fit, irrespective of whether he is in Government or Opposition, he can move for their disallowance, and Parliament has the final say.

In this agreement, the person with the final say would be the Minister for Mines. We know the Governor is advised by the Government, who, in this case, would be the Minister for Mines. In the main, his recommendations would be accepted; so we are, in effect, placing in the hands of one man certain responsibilities which, in all other legislation, are in the hands of 50 members of Parliament in this House, and 30 members in another House. We are making one man responsible for what should be the responsibility of 80. If that is what Parliament wants, then one is inclined to query whether we are the right people to be here.

Mr. Ross Hutchinson: If you come to Government, would you try to alter these agreements?

Mr. BICKERTON: I do not mind answering the Minister for Works, but his interjection was not an unusual one. It is one which, for some unknown reason, he often uses—"What are you going to do if you become the Government?" I can only say, as an individual, that a protest could be made to the company. We cannot alter this agreement. It is going through the House and it must be honoured by the Western Australian Parliament. We do not want people going around the world saying, "It is no good making agreements with Western Australia because their Parliament does not honour them." It will be honoured.

However, that will not prevent any Government from approaching the companies with the object at least of making a deal so this sort of agreement does not become a precedent in the State. If this side were in office, and I had any say, I would certainly be only too willing to see what means could be used to overcome any objections the company had, rather than prevent the provisions of section 36 of the Interpretation Act applying.

As I have said, I am not at all happy with this portion of the agreement. It will cause the State a lot of trouble in the future.

Another matter is the variation clause, and this, too, is a very controversial issue. Having compared this variation clause with the one contained in the Hamersley iron ore agreement, I found that this one varies considerably in some ways; and I am wondering why. It is true that the Hamersley agreement, which was one of the earlier agreements, set a precedent for

the way these agreements were to be drawn up. The variation clause in the Hamersley agreement consists of one subclause, and although one might not agree with it in its entirety one is inclined to see reasons for it.

I will not read the clause from the Hamersley agreement because I want to get away from the legal jargon. However, in brief, if it is dissected it more or less means that the Minister may vary the provisions for the purpose of implementing or carrying out the provisions of the agreement. I do not see a great deal wrong with that, because it would be varied only to enable the provisions of the agreement to be carried out. Parliament, when it ratifies the agreement, wants those provisions carried out, and I think Parliament would not begrudge the Minister the right to vary the provisions so that the proposals in the agreement which Parliament has ratified can, in effect, be carried out. There is nothing much in that to which anyone could object.

The clause also allows the Minister to vary the provisions to facilitate the carrying out of some separate part or parts of the company's operation by an associated company as a separate operation. There is not a great deal one could complain about in that. It enables the Minister to vary the agreement to permit an associated company to carry out certain subsidiary works for the parent company, without the matter having to come back to Parliament for approval. However, the works this associated company would be carrying out would, in fact, be the works which had already been ratified by this Parliament. Therefore one cannot take exception to it.

The clause also enables the Minister to vary the agreement for the establishment of an industry which would make use of minerals within the leases which have been granted to the company, minerals over which the company, under its agreement, already has the rights. So again, one could not take exception to that proposal. When it ratified the Hamersley agreement, Parliament gave to that company the rights over certain minerals which are considered to be associated with iron ore and steel manufacture. Therefore, all the variation clause is doing is allowing the company to set up separate works for the processing of those materials. That, in brief, is all that is involved in the Hamersley agreement.

It is true that the variation clause in the Mt. Newman agreement has in it the same provisions as are contained in the Hamersley agreement, plus two more subclauses which are also in the Nimingarra agreement, with which we are now dealing. The Cleveland Cliffs agreement has all the subclauses in it which are contained in the Nimingarra agreement. That raises a point with which I will deal a little later on.

However, in comparing the Nimingarra agreement variation clause with the variation clause of the Hamersley agreement, we find this: All the variations which are permissible by the Minister under the Hamersley agreement, and which I have just explained, are permissible under the Nimingarra agreement, under clause 15, subclause (1). But then it goes on to subclause (2), which states further matters which the Minister can vary. Subclause (2) reads—

> Notwithstanding the provisions of subclause (1) of this clause—

That subclause contains all the points I just enumerated—

> —the Minister may . . . add to cancel or vary any right or obligation—

That is, by the company—

> —relating to works for the transport and/or export of ore . . .

The Minister may vary any right or obligation relating to the works for the transport or export of ore. Subclause (3) then states that notwithstanding the foregoing provisions of this clause—that is, the provisions of subclauses (1) and (2)—the Minister may vary detailed proposals relating to any of the following:—railway or port site, port facilities, dredging programme, townsites, town planning, other facilities or services, or other plans, specifications, or proposals.

Members can see the great difference between the variation clause contained in the Hamersley agreement, which got through the House, and the one contained in the agreement with which we are now dealing. This variation clause contains also subclauses (4) and (5), although these two are fairly innocuous. The company is entitled to receive approval from the Minister in writing to enter into an agreement with a third party, and any money expended by the third party will be considered part of the obligations in regard to the money which has to be spent by the company. I see no objection there. If any party engaged by the parent company carries out any of the works under the agreement, then that obligation no longer rests on the shoulders of the parent company.

I see nothing wrong with that. However, I come back to just what can be varied. As I said previously, everything which can be varied under the Hamersley agreement can be varied under this agreement, plus variation of any works for the transporting of the ore, variation of any works for the port, and variation in regard to the export of the ore. To go through them again, all these matters can be varied after this agreement has been passed by Parliament; Railway or port site, port facilities, dredging programme, townsite, town planning, any other facilities or services; and plans, specifications, or proposals.

When replying to the debate, I would like the Minister to tell us what we are ratifying; because everything which this House ratifies—or some of the provisions—can be varied by the Minister. We can see this agreement differs considerably from the Hamersley agreement where the matters which can be varied are such that exception can hardly be taken to them. However, I remind members that when they vote for the ratification of this agreement, they will vote to enable the Minister to make variations in practically any aspect, or detailed aspect, of the agreement.

When Parliament passes this Bill, it will ratify the granting of certain leases to the company. This is fair enough. The company must have leases, and security of tenure over those leases; and I do not wish to make an issue of that. That is ratifying something to the advantage of the company, but when it comes to what the company shall do in return for the rights to this ore, and in return for certain assistance by the Government to enable the company to get into production, we find that the Minister can vary almost all of the company's obligations.

When I see a difference between one agreement and another I look around for a reason, as I think anyone who does a little thinking would do. Why should a variation clause in one agreement differ from a variation clause in another? Why should the Minister have the right to vary many more things under one agreement than he has under some other agreement?

I can only come to the conclusion that this company, at this stage, is not really in a position where it should be having an agreement ratified. The agreement is coming before this Parliament at a time when the company has not made sufficient decisions. It will be recalled that when the Hamersley agreement was ratified, that company was well along the way with its proposals. It had formed proposals; it had already decided on its port site, and had decided—in the initial agreement—on the site for the mine. The company had also spent large sums of money in testing the quality and quantity of the ore; and surveyors had been out for a long time surveying the route of the railway. That company, therefore, was in a position to place fairly firm proposals before the Government.

The company concerned in the present Bill is not in the position to place proposals before the Government. As was pointed out by the Minister, the port site has not been decided on, and the route of the railway line has not been decided on. I would go so far as to say that the mine site and the townsite have not been decided on. In my book, that is the reason for the wider variation clause. So, we come to the point: Why is the agreement before us at this stage, and not at a time when the company is in the same position as Hamersley was, when its agreement was presented to Parliament?

When I search for a reason, I can only come up with the fact that there is to be an election next year; and that the Government wants to get this agreement through at any cost before that election. The company might be anxious also to see the agreement ratified so that no Government or Parliament can do anything about it in the future. To strengthen my theory—and I will admit that I am fishing—when I look at the variation clause in the Cleveland Cliffs agreement—which is identical with the variation clause in the Nimingarra agreement—I find that company was in a similar position of not knowing where it was going. That agreement was really not ready for ratification. However, that was in 1964 and the elections were to be held in 1965, so the variation clause was made as broad as the one we are now considering, and a change of Government could have done nothing about the negotiations.

The same thing applied with the Mt. Newman agreement. That company had carried out some work but not nearly as much as the Hamersley company. In that agreement there was a variation clause which was identical with the one in the agreement now before us, with the exception of subclauses (4) and (5), which deal with matters which would not be applicable to the Mt. Newman company.

So my theory is that this company is not ready, in effect, to have an agreement ratified. As a result, the House is asked to pass a variation clause which gives the Minister the right to vary any right or obligation relating to works for the transport or export of iron ore, the railway site, port site, port facilities, dredging programme, townsite, town planning, other facilities or services, and other plans and specifications or proposals.

In other words, when this agreement is ratified—if the House so decides—it can be varied in any aspect whatsoever as far as the company is concerned. However, I do not see anything in the variation clause which allows the State to vary any of its obligations, such as the leases, or anything else. The company will be completely protected. If there is a change of Government there is no way in which the new Government—or the present Government if it had a change of heart—could alter any of the leases, or any of the State's obligations. But the company can vary any aspect whatsoever of its obligations, and its rights and proposals, simply by approaching the Minister.

I remind members that if they ratify this agreement, in effect this is what they are ratifying: They are ratifying something that can be varied by the Minister in any aspect whatsoever. I assume if that situation is good enough for now, it will be good enough in the future for any agreement to come forward to be ratified

by Parliament, with any details contained thereunder being such that they can be varied by any company, with the approval of one man, namely, the Minister concerned. That is virtually what this agreement boils down to. As I have said, I feel sure that, perhaps after another 12 months of exploration, the company would have been in the position to have written into its agreement—or have had written into its agreement—proposals which were as firm as those which are written into the Hamersley iron ore agreement.

However, I have a little theory which I apply to this agreement; namely, 12 months more could have been a bit of a gamble, because if there were a change of Government the company would not be in the position to know whether or not it was going to get what it wanted. To strengthen my argument, I mention that the same situation applied with the Cleveland Cliffs agreement, which was ratified in 1964, which was 12 months before the last State election. Doubtless it was ratified at that time lest there should be a change of Government. The variation clause in that agreement was just as wide. In addition, the Mt. Newman agreement was ratified in 1964 which, again, was just prior to a State election. Similarly, the variations contained in the agreement were as wide as those contained in the agreement which is now before the House.

Mr. Rowberry: Could the company be short of finance?

Mr. BICKERTON: I do not know whether the question of finance comes into this matter. I do not know the financial set-up of the company, but I venture to say if it is as short as I am, it would certainly be scratching.

Mr. Rowberry: All these advantages must be for some reason.

Mr. BICKERTON: As I said before in the House, agreements of this nature do not put the companies under any obligation to go ahead; but, of course, they place in the hands of any company, particularly if it is good at negotiating, a very very valuable document. It is an agreement which is ratified by Parliament, and which the company could take around the world in order to raise capital.

I would say that any money-house would have two looks at this, particularly when one can see the potential of it through the other companies which are already operating. I would say that if anyone were experienced in such matters, he would not have a great deal of difficulty in raising finance on the document which I have in my hands at the moment, and which is the agreement which Parliament is asked to ratify. The company could always say to the persons with money, "These are my rights under this agreement. It is signed by the Premier of Western Australia, and it has been ratified by both Houses of the Western Australian Parliament. What is it worth?"

As I say, it would indeed be a valuable document. However, I am not going to grizzle so much about that aspect in the knowledge that we know that a lot of the money would be expended in Western Australia. and expended in an area where we badly need both industry and population. Therefore, I am not against that aspect; but I remind members finally before resuming my seat that the House is asked to ratify two matters, and if it does so, some day we might regret our action; because—

1. As I said before, we would be robbing ourselves of the protection given to the members of the House under section 36 of the Interpretation Act.

2. We would be placing in the hands of the Minister concerned a variation clause comprising many subclauses which will enable him to vary the agreement in practically any aspect at all, without coming back to Parliament.

MR. TONKIN (Melville—Leader of the Opposition) [3.25 p.m.]: The member for Pilbara has indicated that he has made a very close analysis of the proposals in this measure. I congratulate him upon the thoroughness with which he has done the job, and I indicate to the House that I very strongly support the views he has expressed.

Through the course of his speech, the Minister for Works questioned the member for Pilbara as to what a Labor Government would do with regard to any agreements. I think he implied there was a possibility that a Labor Government might seek to abrogate some agreements. If it did, it would be following a precedent set by a Liberal Government.

I do not consider I should make a statement such as that without proving it. Members will recall that in 1952 the then Liberal Government brought a Bill before the House for the purpose of ratifying an agreement that was made with the Fremantle City Council. The member for Fremantle, who was speaking at the time, made certain remarks about that proposition, and I quote from vol. 2 of *Hansard*, 1952, at page 1320, as follows:—

> Hon. J. B. Sleeman: I agree to the Bill most reluctantly, because I think we were butchered to please an L.C.L. Government. We have talked about how sacrosanct agreements are, and what a vile man Mossadeq is because he repudiated an agreement, but the Bill is simply a repudiation of an agreement which was signed, sealed, and delivered without any mistakes. The agreement was to run for 25 years with an option to renew it for

another 25 years. When the first 25-year period had elapsed, we renewed the agreement, and today it would have another 16 or 17 years to run. But the present Government, and its officials, said to the Fremantle Tramways and Electric Lighting Board, "You sell to us, or else!"

Mr. Speaker, I know that was the situation. The Government told the Fremantle Electric Lighting Board at the time that if it did not enter into an agreement to sell the undertaking, then legislation would be introduced to Parliament for the purpose of taking it away from the board.

Therefore, it is not much good pointing the finger at us and voicing opinions as to what we might do. Here is an example of where a Liberal Government actually did it. I suppose the Government would urge that the circumstances of the time justified it. It would urge this now, because of the passage of time that has elapsed.

However, it is somewhat idle for the Ministers of this Government to parade themselves as being models of virtue and say that under no circumstances would they contemplate such a thing; but if it were to be done it would be done by a Labor Government. I say this to the Ministers of the Government: I can give an example where they have done it, but they cannot give one where we have ever done it.

MR. COURT (Nedlands—Minister for Industrial Development) [3.29 p.m.]: The member for Pilbara has canvassed the particular agreement which is before us with a considerable degree of thoroughness. One point he made was that this is a valuable document. I agree. In fact, I would not be here, nor would I like to be here, if it were not a valuable document; because it is only by having valuable documents like this that we can get such prodigious sums of money into an area which would otherwise be left undeveloped. It is the intention of the Government that this should be a valuable document.

I hope, too, it is the intention of Parliament that it should be a valuable document; that it should be worth something; that people could go abroad with confidence and take this agreement to financial houses and to others, including their own shareholders and directors, in order to raise the necessary funds for what are very big developments by anybody's standards.

The honourable member mentioned that this agreement is similar in many respects to the previous agreements. That is true. So far as is practicable we endeavour, for good sound reasons, to insist that the agreements follow the lines of their predecessors so as to avoid arguments between the companies; so as to avoid any allegations by this Parliament or the public that there has been differential treatment. However, there are some particulars in each agreement which do differ in some cases, minor though they might be.

This agreement, of course, has its own peculiarities and, I might add, was much more difficult to draft than some of the earlier straightforward types of agreement. However, in the main, we endeavour to adhere to the draftsmanship of previous agreements to assist Parliament, to assist the public, to assist the company concerned, and to avoid argument. If one wanted to go through the agreement clause by clause, one would find there are some minor adjustments in the drafting whereby we have endeavoured to improve the situation. For instance, this has been done in the clause dealing with the use of local services and materials. We wanted to ensure that with this new agreement there would be no doubt in the minds of the company, the public, or of Parliament.

A great deal of emphasis has been placed on the variations clause. Members who reflect on this will appreciate it is well-nigh impossible to administer an agreement which is so complex and is of such a magnitude as this one without a variations clause. There is nothing mysterious about this clause in so far as it might differ from the agreement with Hamersley Iron, or from any of the other agreements for that matter. The fact that it bears a similarity to the agreement with Cleveland Cliffs is because the circumstances are rather similar. However, when the agreement with Cleveland Cliffs was introduced to the House it was based on the concept that the Government was endeavouring to get B.H.P. and Cleveland Cliffs to use a common port.

One company had a preference for Onslow as a port, and the other had a preference for Cape Preston, but the Government felt it would be foolish to have two ports for mines which were within a few miles of one another; that is, at the point where their depots were nearest to one another. For that reason we introduced flexibility into the drafting of that agreement; that is, to permit this to take place. Here we have another situation altogether, but it does not mean that we might want to negotiate with the company to change the location of the port as indicated in the agreement, and, generally, to change its transport system to incorporate the needs of others.

Further, we may wish to negotiate with the company completely to re-think the port location, the rail route, and, in fact, the whole transport system. The company has consistently expressed a preference for the Cape Keraudren area, but publicly, the Government has made no bones about the fact that it would prefer the company to take its product from Nimingarra

deposit through to Port Hedland. I must admit, however, that since we expressed our views in this regard we have had success in getting the Mt. Newman iron ore company to go through Port Hedland on a bigger basis than it was originally thought. Port Hedland will be handling 30,000,000 tons of iron ore by 1980 and 12,000,000 tons in a comparatively short time. There are now some advantages in having this company's port facility diverted elsewhere, particularly as the State Government will not be paying a penny towards the port development. I could not hazard a guess at the moment as to what will be the alternative, but the company has agreed to work with us if we can come up with any alternative solution, provided that the operating costs and the capital costs are not detrimental to the company; and, in fact, we have this right under the proposals clause.

These are some of the features of the variations clause of the agreement which the honourable member has not brought to the notice of the House and which, in fact, never seem to get brought to the notice of the House. In short, under the agreement, the company, not the Government, has the greatest obligations to meet.

I would not like to be the Minister of the day if I did not have this flexibility in the agreement, to negotiate quickly and sensibly with the company, bearing in mind that whatever action is taken would be in the interests of the State. Further, the company just cannot request an alteration to the agreement and expect to get it; it has to have the agreement of the Government. That is the only sensible way it can be. To overcome what could be an embarrassing stalemate between the company and the Government there is a sensible provision in the agreement to enable the Government to negotiate a change, but the company does not get relieved of its financial commitments if a change is agreed to.

Mr. Tonkin: It could be relieved of its financial commitments if the Government was so minded.

Mr. COURT: Yes, if the Government wanted to reduce its commitment. In fact, there is specific provision in the agreement that if any of the companies wish to reduce their capital costs—for instance, by the introduction of a cheaper and more modern method than the one currently in use—and can achieve the same results, then they can install more modern facilities at lower cost. But it must be borne in mind that this is not subject to arbitration and they would have to satisfy the Minister on the point.

Surely this is the sensible way to run any business; because who would want any company to install a blast furnace, for instance, if modern techniques indicated that blast furnaces were outmoded —as I think they will be within a generation—and if a better and more modern method could be used whereby the product could be metallised at half the cost and so permit the company to compete on the international market?

If the honourable member were the Minister of the day he would be one of the first to say, "This is the most sensible thing to do."

Mr. Tonkin: Are there not certain obligations in the Bill which the company has to meet and which the Government itself, without further reference to Parliament, can reduce?

Mr. COURT: No; only to achieve the objectives of the agreement.

Mr. Tonkin: I say, "Yes."

Mr. COURT: This is where, of course, the opinion of the honourable member is contrary to the advice that has been given to the Government. I claim to have some commercial experience, but I do not claim to have any experience as a lawyer. Heaven forbid! All the variations provisions in the agreement have been included for a particular purpose; namely, for the better implementation of the agreement.

Mr. Tonkin: Is not this power to vary any or all of the contents of the agreement?

Mr. COURT: In emphasising this point again, I can only use the words in the agreement; that is, the variations clauses have been incorporated to give better effect to the agreement. One cannot think up something alternative to the wording.

Mr. Tonkin: That is not the point.

Mr. COURT: Of course, the honourable member always has his own peculiar interpretation of these things. Under the agreement the company has certain obligations.

Mr. Tonkin: Unless the Government relieves it of the obligations.

Mr. COURT: It would relieve the company of the obligations if it facilitated the achievement of the objective of the agreement. I also want to make the point, which is conveniently overlooked, that such steps can only be taken by mutual agreement. The company cannot say, "We have had this agreement and we are going to vary it in this respect." The company would have to argue with the Government of the day. We will not be the Government for ever—

Mr. Tonkin: God forbid!

Mr. COURT: —because eventually we will grow old and die! I remind the honourable member that a Government of any colour would be happy to sit here and endorse this clause; and I hope the Government of the day, whether it be a Liberal Government, a Country Party Government, or a Labor Government, will approach it in a sensible and a businesslike way. I am sure the honourable

member would say, in his own words, that most of the Governments he has known would sit around the table with the company's representatives and would achieve the result which would be in the best interests of the State. There is no arbitration involved in these particular matters, and it would not be in the best interests of the State just to say, "No."

Mr. Fletcher: Why should not Parliament say, "No"?

Mr. COURT: When we have an agreement like this, and an industry of this nature, surely we do not have to keep coming back to Parliament, unless we are going to completely rewrite the principles. Then we would come back to Parliament. But when we keep within the principles of the variations clause, it should be left to the Government of the day. We are not writing this clause in only for today; we are writing it in for the future; for whichever Government might be here. We are prepared to assume that the Government of the day, whatever its colour—and the company has accepted this—would act in a sensible way.

The honourable member questioned whether the agreement for Pilbara was not premature. He has done this on a number of other occasions, and I can only repeat that the agreement is not premature; because, without an agreement ratified by Parliament, it would not be possible to go into the markets to sell ore, or into the financial houses of the world to raise money.

It is of no use saying to a banker, "You give me this finance and I will take the agreement to Parliament and get it ratified." He would say, "You get it ratified first." This company has spent an extraordinary amount of money on its exploration work; it has spent over $3,000,000, and there will be more to come, in exploring very complex areas. This is not as simple as the other areas; and, whatever comes out of the venture, we will still have some very valuable geological knowledge at our disposal, as this will become the property of the State.

The company would have been able to proceed further had it been possible for it to settle its differences with the Commonwealth Government over export licenses. The company has been pursuing this question since November, 1966, but it has not been possible for agreement to be reached with the Commonwealth Government, because of its attitude to guide-prices; and, more particularly, its attitude in respect of the conditions prevailing for areas "A" and "B".

This is a matter over which neither the State nor the company had any jurisdiction, and it has made it very difficult, and indeed impossible, for the company to enter into any formal arrangements with buyers. I mention this in fairness to the company, and by way of explanation. For the honourable member to impute that this agreement has been rushed through because of an impending election, hardly becomes him. He is usually very fair-minded.

These agreements must be accepted as they present themselves. Without the ratified "pieces of paper"—and I think the honourable member referred to them as "pieces of paper"—all these things would be meaningless when negotiating for cold cash; and these things have to be negotiated in big lumps of money.

The only remaining point for comment is the question of the by-laws. I can only repeat what I said before: that these by-laws relate to a particular set of assets and circumstances. They do not relate to everything that concerns the company's activities. The company cannot thumb its nose at the general by-laws, or the laws of the State. I think it might be as well if members will bear with me while I read out the by-law clause on page 29 of the Bill. Subclause (3) of clause 9 states—

> The Governor in Executive Council may upon recommendations by the Company make alter and repeal by-laws for the purpose—

and this is important—

> —of enabling the Company to fulfil its obligations under paragraphs (a) and (f) of subclause (2) of this clause and (unless and until the port townsite is declared a townsite pursuant to section 10 of the Land Act) under paragraph (h) of subclause (2) of this clause and under clause 10 (a) hereof upon terms and subject to conditions (including terms and conditions as to user charging and limitation of the liability of the Company) as set out in such by-laws consistent with the provisions hereof.

Mr. Bickerton: I have read that a dozen times.

Mr. COURT: I know, and that is why I am most surprised that the honourable member, who is usually so fair and broad-minded in his approach to these matters, and who has an understanding of mining activities, should follow his leader and question these things.

Mr. Bickerton: I want you to put them on the table.

Mr. COURT: The documents must be placed on the table.

Mr. Tonkin: What do you do when they come here?

Mr. COURT: It is to show that there is no secret or hole-and-corner stuff.

Mr. Tonkin: You have had to be forced to do that.

Mr. COURT: I only wish to record the reasons why these by-laws are different from any other by-laws—and I am going to surprise the honourable member in a moment and tell him—

Mr. Tonkin: Nothing you do would ever surprise me.

Mr. COURT: —what his counterparts in Tasmania did to overcome this situation; because they go much further than we do. I want to record this before I finish, because it makes rather interesting reading.

Sitting suspended from 3.45 to 4.4 p.m.

Mr. COURT: Before the suspension I was commenting on the contents of the by-laws clause on pages 29 and 30 of the Bill. The point I want to emphasise is that it restricts the extent to which this type of by-law can be applied. It has a very restricted application, and is related mainly to the facilities which the company has to provide. Any interference would be completely irresponsible and would be a backdoor method—as I said on Tuesday evening—of abrogating the agreement. The by-laws clause provides, on page 30 of the Bill, as follows:—

> Should the State at any time consider that any by-law made hereunder has as a result of altered circumstances become unreasonable or inapplicable then the Company shall recommend such alteration or repeal thereof as the State may reasonably require or (in the event of there being any dispute as to the reasonableness of such requirement) then as may be decided by arbitration hereunder.

In both the by-laws clause and the variations clause an attempt has been made to give the reasonable flexibility that is necessary in changing circumstances. I was sorry that the member for Pilbara did not read out in full the variations clause, because some of the parts which he left out are quite pertinent.

Mr. Bickerton: Are you referring to the Nimingarra agreement?

Mr. COURT: Yes.

Mr. Bickerton: There are only five subclauses in it.

Mr. COURT: The honourable member read only the first half of subclause (2).

Mr. Bickerton: I pointed out that I was not reading out the subclauses, but only extracts from them.

Mr. COURT: It is very important that members examine this question quietly, away from the atmosphere of this Chamber, and without party political considerations. If they study the agreement in that manner and form their own opinions as to how this agreement would be implemented by any Government of which they are supporters, they will find that the provisions of the agreement are logical and absolutely necessary; that is, if there is to be any agreement negotiated on which finance can be raised.

Before I conclude I feel I should refer to the Savage River agreement, because it has one feature in common with the development in the Ashburton and Pilbara regions; namely, it is an attempt to develop the same mineral—iron ore—in an area which was previously crying out for development. The history of the Savage River deposit is well known to most of the people in Australia who take an interest in these things. Although many interested parties had examined the proposition previously, it was not until Pickands Mather came along that a very imaginative solution was found. This solution was only possible, because the Tasmanian Government—a Labor Government, which has been in office for a long time—was prepared to face up to this development in a very realistic way.

I would like members to read the Savage River agreement, which is embodied in the 1965 Statutes of the Tasmanian Parliament. They will find that the Tasmanian Government adopted a different form of agreement, and a very short one. The main details are actually included in the lease document. It is important, when reading the lease document, to appreciate that it is only in that document that the real powers of the Government—of the Premier in particular, and of the Minister —and the rights and obligations of the company are most clearly enunciated. All of this is ratified in the accompanying Bill.

Mr. Bickerton: The Bill also contains a great deal.

Mr. COURT: I mention this, because it is important that we do not take the Bill, the agreement, or the lease, on their own in trying to evaluate the concessions which have been made. On the question of amending laws, I have picked up a few examples from the Tasmanian agreement. It is not intended to be an exhaustive list of such provisions as have been incorporated. Under clause 5 (1) that Government has assumed power to resume land for the purposes of the Act, and this clause is found on page 265 of that Act. In clause 8 (2), on page 266, the provision states, "Notwithstanding anything in the Marine Act, 1921 . . ." In clause 9 (1), on page 267, provision is made to authorise the Tasmanian Treasurer to lend $4,000,000 to the company—and he determines the conditions.

Mr. Ross Hutchinson: Is the whole of the Marine Act bypassed?

Mr. COURT: It could be, so far as it is necessary for the purposes of the agreement. Clause 12 (1), on page 268, excludes the application of the Lands Clause Act, 1957, in regard to the company's undertaking and leased premises. The Government of Tasmania did not mess about with that one.

Mr. Bickerton: No one denies what is in the agreement.

Mr. COURT: Clause 2 (g) (i), (ii), and (iii), on page 271, restricts the application of the provisions of the Marine Act,

1921. Clause 2 (j), page 271, negatives the application of the Lands Clause Act, 1857, to the ratifying act. Clause 2 (k), page 271, negatives the application of the Mining Companies (Foreign) Act, 1884, to the lessees or Pickands Mather. Clause 6 (a) (i), page 277, negatives the operation of a series of sections of the Mining Act, 1935, from the lease or any supplementary lease.

So one could go on reciting these things that have been varied—for reasons which we know are absolutely necessary before one can enter into an agreement like this—in order to use 1967 techniques for development of industrial minerals, particularly in very difficult country.

Mr. Bickerton: I did not criticise the laying aside of Western Australian Acts; I was talking about by-laws not coming to the House.

Mr. COURT: That might have been the case today, but there was a lot of criticism on this point the other day as though we were the only Government that did this sort of thing. It is also important I mention the method of variations. The Minister in the Tasmanian Government is not bound by the same guide lines as I am. Clause 6 (b) (i), page 278 of the lease document, reads—

> Except where otherwise mutually agreed between the parties hereto the terms covenants and conditions of this Lease shall during the currency hereof remain as at the date of commencement hereof—

This means they are trying to contract to keep the company's liabilities as at this date and avoid any amendments being made later on by the Tasmanian Parliament, unless the company agrees to accept them.

Mr. Tonkin: That is a funny argument.

Mr. COURT: I am telling the Leader of the Opposition, because this is terribly important.

Mr. Tonkin: My word it is important.

Mr. COURT: Continuing—

> —and insofar as any amendment of or substitution for the Act would have the effect of altering adding to or derogating from the terms covenants and conditions of this Lease the same shall not apply to this Lease or to the Leased Premises.

The next paragraph within this subclause is the milk in the coconut. It says—

> (ii) The terms covenants and conditions of this Lease may be cancelled added to varied or substituted by agreement in writing between the Minister and the Lessees.

There is no question of any reference back to Parliament at all; and, what is more surprising, is that if the Government of the day through the Minister says the agreement is altered, then it is altered; and the ratifying Act makes this possible.

On page 280 in subclause (n) there is a marginal note, "Compliance with existing and future law" and the subclause reads as follows:—

> The demise hereby made and the covenants terms and conditions contained in this Lease and in any and every Supplementary Lease shall for all purposes be deemed to be valid and to comply with and satisfy the provisions of every Act and law whether now existing or whether enacted or made at any time hereafter and to the extent that such covenants terms and conditions or any of them vary from negate or conflict with the requirements of any such Act or law such covenants terms and conditions shall prevail.

This does not only restrict them to the type of by-laws we have provided for, but applies to anything within the law. If the law of Tasmania is altered, and the regulations are altered, the company has only to conform in so far as it is agreeable to do so.

Mr. Bickerton: Do you agree with what is in that?

Mr. COURT: I think our form is better. We have drafted ours within the objectives of the agreement, and I think it is a good thing.

Mr. Bickerton: Why compare our agreement with the worst one?

Mr. COURT: I am trying to compare our agreement with one in a State that is carrying out developmental programmes. It is a claimant State which has a Government of a different ideology from ours; and that Government is sufficiently realistic to say, "If, in view of the huge capital investment involved we do not negotiate on a sensible basis, these companies will never be able to raise the money." That Government has been prepared to trust the company and future Governments. Admittedly, the Government in Tasmania does not change very often, but the present Government is prepared to trust future Governments and the company to get on with this worth-while project. The honourable member asked why we should compare our agreement with the Tasmanian agreement. I did this because he and his colleagues made such great play in regard to the Tasmanian agreement.

Mr. Bickerton: There was no reason why not.

Mr. COURT: It is the only comparable agreement in Australia at the present time. I felt it desirable to record this because, after listening to members of the Opposition the other night and today, one would think this was the only Government to bring down an agreement which varied existing Statutes and made provision for variations in order to protect the substantial assets provided by the company.

Mr. Bickerton: If you had said this the other night, I would have got you off the hook.

Mr. COURT: We did know what was in the Tasmanian agreement for the simple reason that one of the companies wanted the Government to give it the same conditions as were provided for the Savage River project, but we said, "Not on your life." We said we would stick to the agreement we had ratified with other companies. The honourable member might recall there was a certain newspaper controversy between myself and the Minister for National Development and one or two other people over the fact that the Commonwealth Government was giving the Savage River project preferred treatment over Hamersley Iron.

Mr. Bickerton: How are you getting on with him now?

Mr. COURT: Having lifted the guide line procedure, everything is lovely and we can now get on with the job.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (Mr. Crommelin) in the Chair; Mr. Court (Minister for Industrial Development) in charge of the Bill.

Clauses 1 to 5 put and passed.

Clause 6: By-laws—

Mr. TONKIN: I move an amendment—

Page 2, lines 33 to 38—Delete paragraph (d).

This is in line with the thought I expressed on a previous Bill. I take the opportunity to reply to some of the statements made by the Minister for Industrial Development. This power to make by-laws is quite a wide one and is referred to in subclause (3) commencing on page 29. The wording of that subclause connotes the possibility of by-laws being made which at some time or other could be unreasonable, and, as such, if they had to come before Parliament, they could be disallowed. However, the Minister under the paragraph which I seek to delete, deliberately prevents Parliament from having any say in the matter. If the by-laws are unreasonable and the Government thinks they are unreasonable, it has not the absolute power to disallow them because they must be referred to arbitration.

I do not think that is a reasonable proposition at all, because by-laws are an extension of legislative power within the scope of any Act. Certain powers are defined in the Act and they limit the scope of activity. But for the purpose of administration, the Legislature provides for the promulgation of by-laws in the knowledge that if unreasonable by-laws are promulgated, then Parliament itself will be able to move to have them disallowed.

The Minister endeavoured to gather some kudos from the fact that in any event these by-laws had to be laid upon the Table of the House, but I would remind him that in previous Bills of this nature there was no such provision and it was only upon the insistence of another place that subsequent agreements included it. Therefore the Minister of his own volition would not even have shown Parliament the courtesy of bringing the by-laws here.

In any event, that is of no great value, because if they are brought here and it is obvious they are unreasonable, Parliament can do nothing about them. I can see no reason why any by-laws made under this power should be in any different position from by-laws which are made under the power of any other Act. To delete this paragraph would not take away from the company the power to make by-laws. It could still make them and operate them; and the only risk it would run would be that at some time or other Parliament might disallow them.

It could not delay the company even for a minute nor could it cause the company any inconvenience. However, it would be a very honest and valuable safeguard as it would restrain the company from suggesting any unreasonable by-laws because it would have the knowledge that Parliament could disallow them.

What possible argument can be advanced against that? Why should Parliament not have the power to disallow a by-law if it feels it should do so? Is it suggested that Parliament would be capricious in a matter of this kind? In my long experience in the Parliament here, I have not known of a single example of a by-law being disallowed through sheer capriciousness. As a matter of fact, few have been disallowed in my time. It is not a simple matter to get a by-law disallowed; and I would say that a company that is prepared honestly to carry out its obligations under an agreement with a by-law making power has nothing to fear from having those by-laws run the gauntlet of Parliament.

However, the Minister indicated the other evening what his fear is. He thinks that some change of Government might bring about a different view. But Governments do not necessarily control the Parliament, and if a Government—I do not care what its complexion is—is not prepared to trust Parliament, it is not worthy of being called a Government. If it wants to be in a position to carry out its administration free from the interference of Parliament, it is not justified in remaining the Government.

It is Parliament's right to interfere on behalf of the people; but Parliament would not interfere unless it felt justified in doing so. Therefore, I would say without the slightest hesitation that the House should remove this provision, which seeks, in effect, to take away the provisions of

the Interpretation Act with regard to the tabling of by-laws and what may be done after they are tabled. I cannot understand why in a country under a democratic Parliament, where Parliament is the supreme body, any Government should wish to have it otherwise; and that is what is implied in this particular provision in the Bill.

Mr. Ross Hutchinson: Does the same apply in Tasmania?

Mr. TONKIN: There is no by-law making power in the Bill the Minister read out.

Mr. Court: They have achieved their purpose in another way.

Mr. TONKIN: I am not allowed to deal with the law on this occasion. I will deal with that angle later on. I am endeavouring at the moment to keep my remarks relevant to the provision I am trying to have deleted, and this deals only with making it possible for by-laws to be made without subjecting them to the control of Parliament.

Mr. Ross Hutchinson: I thought it was relevant.

Mr. TONKIN: I do not think it is. I would reiterate what the member for Pilbara said when speaking to the second reading. This is something which members should think very seriously about, because when they agree to the inclusion of this type of provision they are deliberately voting in favour of the Executive. Even here, I have to qualify the position, because the Executive is not left in complete control. If the Government came to the conclusion that a certain by-law was unreasonable, it would not then be in the position to say, "That is out"; that is, if the company did not want to take it out. The by-law would have to be referred to arbitration.

Surely Parliament should not put itself in the position that it will allow any company—and I do not care what company, or what its political colour is—to be in a position to make by-laws which could be unreasonable, and then for neither Parliament nor the Government to be able to disallow them immediately. To me, that situation is absolutely untenable and it savours of dictatorship. That is the sort of thing one would find in a country where a dictator was in charge. What a dictator says, goes, and that is what has to be done. Surely that does not conform to our way of life. Our whole structure of government is built on the belief that in the final analysis the representatives of the people shall be in complete control of the Government. This we are told is the highest court in the land.

There could be some semblance of argument if it could be shown that in taking away this power we were doing an injustice to the company, or causing any delay, or in any way hampering it in its administration. So long as the company makes by-laws it can make recommendations to the Governor and the Governor will have the by-laws promulgated. The by-laws can operate from the first day they are made in the same way as if the by-laws came to Parliament. If Parliament is not sitting, it will not make any difference. But the power to disallow the by-laws should be with Parliament and there should be no necessity to send them to an arbitrator. Parliament should be the arbitrator and if it could be shown in the House that a by-law was unreasonable, Parliament should have the power to say to the company, "This is out."

Surely Parliament should have that power. However, the Government thinks not, but the Government has not been able to advance a single argument to show that the company would be inconvenienced in any way if Parliament retained the same power, with regard to the by-laws which this company will make, as it has with regard to by-laws made under any Act of Parliament. I would suggest very seriously, to members, that this is a power which they should not readily surrender. For that reason, I have moved my amendment.

Mr. COURT: We have canvassed this so often that there would be no good purpose in my reiterating all the arguments that have been used. However, I want briefly to record that the situation as stated by the Leader of the Opposition is not a fair statement of the practical situation. First of all, the by-law making powers are very limited and they are related specifically to certain things that are essential for the company to meet its obligations under the agreement. Without this power the situation would be completely impracticable and, in fact, impossible.

There was another way to deal with the situation and that was to write into the agreement a whole host of conditions under which the railway and the port and the other things would be operated, and then use the variation clause later on to deal with matters as circumstances changed. However, this was too inflexible, and I think the sensible way is the way it has been worded.

The other alternative was that of using the Tasmanian system, whereby this particular requirement is bypassed altogether by a rather ingenious device; namely, that if the company there conforms to the conditions that exist at the commencement date, no matter what happens with regard to the Tasmanian law in the future, the company will be deemed to have complied with the conditions of the agreement.

I do not think that is as good a way as ours, because it is much better to have by-laws, such as we have in mind, promul-

gated for all to see. Likewise, I think it is better to do it this way, provided the by-law making powers are restricted, as they are in the agreement. It is better to do it this way rather than to set out the details in the agreement, which will change from time to time.

We have already found changing situations in the development of our iron ore projects. The superimposing of the Mt. Newman project on the Mt. Goldsworthy project has completely changed the method of operation and, in some cases, the actual design of the channels and the port. Through the flexibility of the agreements, it has been possible to handle that situation in a sensible way.

The Leader of the Opposition has said that the company will not be inconvenienced in any way at all. It is true the company can function under the by-laws it promulgates right up until they are presented to this House. However, the honourable member does not state the situation beyond there, if the by-laws were disallowed or amended. I want to emphasise that the by-laws relate only to the operation of facilities which the company is obliged to provide.

We cannot predict the political colour of future Governments, and we must not forget that the other House has equal power in this matter. If this House wished to disallow a by-law, what is the position? We would have a great railway and a great port, involving tens of millions of dollars and somebody, for reasons I cannot define—but these people do exist—could decide to break the agreement by the backdoor method.

I submit to the Committee that if the situation required by the Leader of the Opposition was incorporated in this agreement, or any other of the iron ore agreements, not one of these projects would have started. The companies would not have been able to raise the money. The lenders of the money—and colossal amounts are involved—are not secured by the assets of the company, because in the case of default the assets revert to the State without compensation. The lenders can only get security out of the tenure of the agreements and the policy of the companies.

Surely in the interests of getting these tremendous projects, which are only the start of bigger things to come in each of these areas, this is a sensible provision to incorporate. This is the sort of thing which is done between individuals when entering into contracts, and that is what we have endeavoured to do.

In conclusion, these by-laws are not compulsory. The clause says, "The Governor may." The Government of the day—and it could be any Government—will decide whether it wants the by-laws, and the Governor will, in the ordinary course of his Executive Council responsibility, implement them and, in due course, they will be tabled in the House. Surely in regard to the State, this is protection to ensure that the by-laws will not be unreasonable or harsh. If they prove inappropriate in view of changing circumstances, or because of an error of judgment at the time, they can be submitted to arbitration.

We have included this added precaution that the Government of the day can obtain reasonable amendments. I cannot think of any other way to arrive at mutual agreement in the event of dispute, except by arbitration. These are commercial agreements. These are the operation of physical assets for transport, in the main. As I have said, I cannot think of any other sensible way we can handle it, unless we adopt the Tasmanian system with which I do not agree.

Mr. GRAYDEN: The Minister has an onerous task with a Bill of this kind, and I do not want to add to his burden. I assure him that I will support the Bill, but only because he has already gone to a great deal of trouble to negotiate with the company and have the agreement drawn up. I support him most reluctantly.

I consider it is altogether wrong to legislate in this way and make it impossible for Parliament, in the future, to amend in any way regulations such as those which would be set up by this measure. This is not something which has arisen suddenly. This procedure has been happening in Australia for many years, and it has been deplored wherever it has occurred.

In 1935 the South Australian Parliament was so perturbed about precisely this sort of thing that it set up an honorary committee to inquire into subordinate legislation. I have the report of that committee here.

The DEPUTY CHAIRMAN (Mr. Crommelin): Order! I do not think the honourable member can talk on that report. He must speak on the deletion of paragraph (d).

Mr. GRAYDEN: In that case I will not read the report. This committee was set up to find ways of maintaining the supremacy of Parliament in respect of subordinate legislation. It comprised eminent legal men and members of Parliament. Their recommendations were very brief. In fact, they were two lines to the effect that the committee felt strongly that all subordinate legislation should be subject to the control of Parliament, and it recommended that the law be altered to provide accordingly.

As I said, even in 1935 the Parliament of South Australia was so perturbed about this sort of thing that it set up a committee which, apart from exhaustively examining the question, came up with that recommendation. In those circumstances, if we

are going to legislate lightly in this way, then surely it is a reflection on all of us.

I cannot see the reason for our having to do this. I cannot see the objection to having regulations subject to section 36 of the Interpretation Act. What is the objection? If we trust Parliament sufficiently to ratify the agreement, why cannot we trust Parliament to handle the regulations in a satisfactory way? We are quite prepared to accept the proposition that the Government may change, and that the incoming Government, although it may be different in ideology, would have to carry on with the agreement, or alter it.

We are quite prepared to accept that, yet we are not prepared to allow Parliament to amend these regulations in any way. I find this an extraordinary state of affairs. As I have said, I am prepared to support the Minister, but I do so with extreme reluctance.

Mr. TONKIN: The member for South Perth said he could not understand the reason for the Government's attitude. The Minister for Industrial Development gave the Government's reason; that is, it is not prepared to trust Parliament. He said, in effect, that some future Parliament might disallow a by-law. That is his argument.

Mr. Court: That is true. There has never been any evasion or equivocation on that point.

Mr. TONKIN: That is the Minister's argument, and the only argument which he can offer; namely, some future Parliament might disallow a by-law.

Mr. Court: And abrogate the agreement through the back door.

Mr. TONKIN: Therefore, he is not prepared to trust the Parliament.

Mr. Ross Hutchinson: It is a commercial undertaking.

Mr. TONKIN: I want the Chamber to follow me carefully, because it is a very important principle which we are now debating. The power to make by-laws is covered on pages 29 and 30 of the Bill. This states the matters with which the by-laws would be concerned. It is obvious when the Bill was drafted the possibility was seen that some by-laws could be unreasonable. I will read from the relevant clause of the agreement, as follows:—

> Should the State at any time consider that any by-law made hereunder has as a result of altered circumstances become unreasonable or inapplicable then the Company shall recommend such alteration or repeal thereof as the State may reasonably require—

Let me pause at that point. This shows that the Government appreciates the possibility that the time could arrive when some of these by-laws were unreasonable.

Mr. Court: It says that because there are changed circumstances.

Mr. TONKIN: Surely one does not make provision for something that cannot possibly arise. Therefore, this is making provision for something that could arise. In the event of its arising this is what happens; namely, the State may reasonably require that this by-law be wiped out. Then it sees the possibility of a dispute; the company may dig its toes in. The wording is—

> —or (in the event of there being any dispute as to the reasonableness of such requirement) . . .

It is not even to be left to the Government to decide that it is unreasonable. The Government might say to the company, "That by-law is unreasonable," and the company might say, "No, it is not." What happens then? Believe it or not, it has to go to arbitration! The arbitration will be on the question whether it was reasonable for the Government to ask for the disallowance of the by-law. That is the situation.

I am not going to go along with that. I do not care what it would do to the minds of those in charge of the company. The Minister has had to acknowledge that if this power is left with Parliament, it would not in any shape or form hinder the company in making by-laws, nor would it hinder the company in operating; the only difficulty that could arise would be if at some time Parliament decided a by-law was unreasonable, and should be disallowed. What a dreadful thing for Parliament to do!

If Parliament is not entitled to disallow any of these by-laws, it should not be entitled to disallow any other by-laws. Why should some private company be sacrosanct, and be allowed to make by-laws, and force a Government to arbitration on the question of the reasonableness of its by-law, when everybody else who makes a by-law under an existing Statute has to depend upon Parliament to do the proper thing? What the Minister proposes is an insult to Parliament, and it cannot be interpreted any other way. He is not prepared to trust Parliament, because the company will not trust some Parliament—either this Parliament, or some future Parliament—to do the proper thing.

Because of the fear that any of these by-laws made by the company may, at some time or the other, for any cause whatsoever, be disallowed, then Parliament should not have the power to disallow them. That is the proposition put up by the Government.

I look at the members around me who are elected on the adult franchise as representatives of the people and I ask them: Do they consider themselves competent to

make a decision on a by-law, or do they think they cannot be trusted? Do they think this particular company should be permitted to make by-laws, and if the Government of the day says they are unreasonable and wishes to cancel them it cannot do so unless it obtains a favourable decision from an arbitrator? What a position for a Government to be in! What a position for any Government to put Parliament in!

I am absolutely amazed to think any argument is necessary once this point is made. This means a complete abdication of Parliament's sovereign rights. If it could be shown that the taking of this power would, in any way, interfere with the operations of the company; would in any way cause it to be inconvenienced in its operations, there could be some argument for it, but, in fact, there is none.

The company can make by-laws the same as any Government department. It can have them promulgated and can operate under them without hindrance from Parliament or anybody else. There would only be inconvenience caused to the company if it was shown in Parliament, and to its satisfaction, that some by-law was unreasonable, and it was disallowed. Members should not run away with the idea that if they agree with what I have moved they will stop the company from making by-laws. It will not be interfered with in any way should it desire to make by-laws. The only time it would be inconvenienced would be when Parliament considered that a by-law made by the company should be cancelled.

However, the Government wants to create a situation whereby if it considers a by-law should be cancelled, and requests the company to cancel it, and the company refuses, the Government cannot proclaim it has been cancelled but must submit the matter to arbitration on the question of whether its request is reasonable.

The DEPUTY CHAIRMAN (Mr. Crommelin): The honourable member's time has expired.

Mr. COURT: Might I briefly reiterate something I feel should be said, although I know nothing will ever change the mind of the Leader of the Opposition once he gets one of these inverted pyramids of his! The fact is that the by-laws are restricted to the part of the agreement specified in this clause which reads—

> For the purpose referred to in subclause (3) of clause 9 of the agreement. . . . .

This is the point the honourable member seeks to ride over. He gives the impression to people who do not know the subject matter of the agreement that the company can make by-laws for anything; but, in fact, it can make by-laws only in relation to those things which the State would not be able to provide in 50 years.

This is what the honourable member is opposing, and this is what should be clearly understood. Neither this agreement, nor any of the other agreements, could have been written if we did not have this provision included. This will not interfere with the rights of the ordinary people or the normal laws we have in the State. This is an industrial undertaking, and the agreement is being made between a Government and a company, not between two persons. If any Government at a later date wants to put the company out of business, let it state publicly that it wants to abrogate the agreement between the company and itself.

Mr. Tonkin: What is the justification for that statement?

Mr. COURT: There is plenty of justification; because these by-laws will relate to the facilities which are the very lifeblood of the system, such as the port and similar facilities. If the agreement did not have a provision such as this there would be no agreement whatsoever, because it would not be written, and it would not be before Parliament at the present time.

Mr. Tonkin: Don't run away with the idea that the Government and Parliament are synonymous.

Mr. COURT: I am speaking of the situation that would be created if Parliament disallowed a by-law relating to the operation of these facilities.

Mr. Tonkin: Is not Parliament entitled to do it if it thinks it ought to be done?

Mr. COURT: I would say, "No," in respect of the facility by-laws, unless it wants to be able to abrogate the entire agreement. I would be pleased to hear the Leader of the Opposition make a statement in regard to this, because one is entitled to assume from the attitude of the Leader of the Opposition to this agreement that he would rather lose these great projects than enter into a normal, sensible arrangement relating to the company's operation of its facilities.

It is rather interesting and rather important that the public should know the attitude of the Leader of the Opposition, who has now declared, quite unequivocally, that he would not accept these conditions if he were negotiating an agreement with the company. I cannot put any other interpretation on his attitude. In other words, if he were in charge of the negotiations we would not have Hamersley, Mt. Newman, and Mt. Goldsworthy; these are the simple facts. It is not as if we are interfering with the normal operation of the laws of the State. This provision has reference only to a particular clause in the agreement itself.

Mr. Bickerton: Was this clause incorporated in the original agreement with Hamersley Iron, or was it introduced subsequently under the amendment?

Mr. COURT: This represents a basic understanding between the Government and the companies; namely, that by-laws for the operation of the facilities of the companies will be made under these conditions. It was considered that they would be desirable because there is no need, in the normal course of the administration of the State, to disallow them. I repeat that if any Parliament at a later date disallows a by-law made under this agreement, it would be a backdoor way of abrogating the agreement.

If any Government in the future wants to abrogate the agreement let it come to Parliament and say, "We are abrogating the agreement." I oppose the amendment.

Mr. TONKIN: We are used to this type of performance by the Minister for Industrial Development so that he may cloud the issue.

Mr. Court: We are trying to put a little light on it.

Mr. TONKIN: No; the Minister is trying to cloud the issue. I absolutely refuse to believe that any reputable company in a democratic country would not be prepared to trust the Parliament of that country. The Minister says that the Hamersley, Mt. Newman, and Mt. Goldsworthy projects would not have been established if the companies concerned had been told they would not have the right to make by-laws; or that if they did make by-laws, those by-laws could be disallowed by Parliament. I absolutely refuse to accept that statement.

Mr. Rushton: By-laws made as to certain assets.

Mr. TONKIN: The power to make by-laws—

Mr. Court: For purposes as set out in the agreement.

Mr. TONKIN: It would not be a question of purpose when the company was trying to make by-laws.

Mr. Court: What is the use of trying to explain anything to you?

Mr. TONKIN: The Minister has already indicated the by-laws made under the agreement are for the same purpose as any other by-laws; that they give effect to the provisions of the law. That is what by-laws do. Such by-laws are generally subject to Parliament, and for good reason.

A Bill is introduced for the scrutiny of members. It is agreed to by members; so they know what they are agreeing to when the Bill is passed and becomes an Act. But the by-law-making power is used away from Parliament; quite often when Parliament is not in session. So Parliament reserves the right to know what those by-laws contain, and if it feels some of them should not have been made—that they are irksome or unreasonable—they can be disallowed. Is there anything wrong with that?

Mr. Court: Nothing under normal circumstances, but there is a lot wrong with it when you are dealing with specific assets like this.

Mr. TONKIN: The Government acknowledges the possibility that some of these limited by-laws to which the Minister refers—and do not let us run away with the idea that they are as limited as the Minister would have us believe—

Mr. Court: Look at the schedule and see what they suggest. Read them out—they are on pages 29 and 30.

Mr. TONKIN: It would take far too much time. As I was saying, the Government saw the possibility that some of these limited by-laws could be unreasonable, and in those circumstances the Government could ask the company to withdraw them. The Government also foresaw the possibility that the company might refuse; so it made provision that in the event of there being unreasonable by-laws, and the Government, seeing they are unreasonable asks for their cancellation, and the company refuses to so cancel them, the matter can then be subjected to arbitration. But on what point? On the question whether the Government's request for their cancellation is reasonable or not.

That is the essence of the situation, and it is clouding the issue to suggest the by-laws would be different from other by-laws, or that there is a limited field in respect of which they can be made. The Government cannot deny that it foresaw the possibility of unreasonable by-laws being made; but it puts itself in the hands of an arbitrator to have them cancelled.

If the arbitrator decides against the Government—even though the Government is convinced the by-laws are unreasonable—the by-laws continue to operate, and neither the Government nor Parliament can do anything about the matter.

What a position for a Government to put itself into! We are told the Government must put itself in that position, or the company will not come here. If that is so, I have no hesitation in declaring I would not want such a company.

Mr. Court: That is what we wanted to hear you say.

Mr. TONKIN: Now the Minister has heard it. If I can get a company only on the condition that the Government will have no power to cancel unreasonable by-laws that are made, I do not want the company.

Mr. Court: That is not the position.

Mr. TONKIN: Mere assertion on this point is no good at all.

Mr. Bovell: Are not these by-laws in relation to private assets?

Mr. TONKIN: The by-laws affect the rights of private individuals. The Minister for Lands shows that he has not a clue as to what is in the Bill.

Mr. Bovell: Yes I have. You are advocating interference with the assets of private companies.

Mr. TONKIN: I am advocating that Parliament, not the Government, should be in control. In this case even the Government is not in control; an arbitrator is.

Mr. Court: What other method but arbitration can you devise for business and industry?

Mr. TONKIN: We could say to the company, "We know you need by-laws, and we give you the power to make these by-laws; but they must run the gauntlet, as do all other by-laws, and if Parliament decides that one or more of them must be disallowed, you must accept the situation."

Mr. Court: Would you prefer the Tasmanian system where they have tied the hands of Parliament in the future?

Mr. TONKIN: I have not read the Tasmanian agreement as closely as has the member for Pilbara, but from my reading of it I can see no power in it similar to the point with which I am now dealing.

Mr. Court: The company is in a stronger position under the Tasmanian agreement. It is even protected against future law agreements in a host of things.

Mr. TONKIN: I would never agree to that myself.

Mr. Court: The Labor Government in Tasmania must have felt it was a sensible thing to do in an industrial agreement.

Mr. TONKIN: That is not sound, because a Liberal Government in this State abrogated an agreement. That type of argument, by analogy, is not much good. We want an argument on the merits of the case, to which I am trying to confine myself. In this instance the Government visualises the possibility that some of the by-laws made under this power may be unreasonable, and it may request the company to cancel such by-laws; but if the company refuses to do so, an arbitrator will decide whether the by-law should continue to operate or not. I will not agree to that, no matter what is involved; it is too big a principle for me to concede, to get a company to become established.

I ask members to think seriously about this, because if they agree to what is being done they will be contributing to the further entrenchment of a principle which, in my view, should have no place in a democratic form of Government. The Minister says the company wants this power—I do not know whether it does—because it cannot place any reliance on what Parliament might do; and it will not come here if it does not get the power.

The DEPUTY CHAIRMAN (Mr. Crommelin): The honourable member's time has expired.

Mr. BICKERTON: The Minister's main objection to the amendment moved by the Leader of the Opposition is that a future Parliament may disallow a by-law which the company makes.

The Minister seems to imply that it could be a by-law of the utmost importance which, if disallowed, would seriously inconvenience the company, and perhaps put it out of operation. The main reason advanced by those who support the amendment is that Parliament should have the right to disallow a by-law; in other words, that the agreement before us should be subject to section 36 of the Interpretation Act.

I cannot see how a future Government which does not like the company can go about disallowing a regulation which has been made, because subclause (3) on page 29 of the Bill states—

> The Governor in Executive Council may upon recommendations by the Company make alter and repeal by-laws.

If the company thought that a by-law it had made would be disallowed, I doubt very much whether it would make representations to the Government to alter or repeal it. I cannot see any Government agreeing to accept a by-law which it does not like, merely to enable it to be tabled. The negotiations which would take place between the Government and the company would reduce these by-laws down to a sensible level. No difference would be made if such by-laws were tabled in the correct manner, and were subject to disallowance.

If a future Government agrees with the company on a by-law, and the Government has sufficient numbers, it will ensure that such by-law is not disallowed. The company will have to approach a particular Minister as to the gazetting of a by-law, and that is the stage where the negotiations take place—not when the by-law comes before Parliament. After a satisfactory conclusion has been reached the by-law would be gazetted and placed upon the Table of the House. At that stage there is no reason why it should not run the course of all normal by-laws, and be subject to disallowance.

The reasons advanced by the Minister for not allowing the normal procedure to be followed in regard to these by-laws are not realistic. He might know more than we know about this matter; we can only look at what is placed before us, and from what is placed before us we can see no reason why a by-law made on the recommendation of the company should not be treated as any normal by-law. After all, members of Parliament are responsible people.

If a Government was so unreasonable as not to come to an arrangement with a company which was producing revenue for the State it would not remain in office very long. The Minister said the power

to make by-laws applied only to certain sections of the agreement. What we are endeavouring to do is to have the regulations or by-laws tabled, to allow members of Parliament to judge whether or not a motion for disallowance should be agreed to.

I would point out that many regulations have passed through this Parliament, but very few motions for disallowance have succeeded. I cannot see any Government, for the sake of devilment, inconveniencing an industry, or putting an industry out of business. If an industry is not a responsible one then it is essential that Parliament retains the right to disallow regulations affecting it.

The Minister suggested that we might have a Government in this State which desired to place a burden on the company by disallowing these regulations; but what about a Government which does everything possible to favour the company? As Parliament is to have no say in the disallowance of these regulations, there could be a Minister or a Government in this State which was bought over by the company. It is all very well for the Minister to say we might have a Government which does not like the company; the reverse could apply, and we could have a Government which bent over backwards to favour the company.

Mr. Court: We know how long such a Government would last and what would be its fate at the next elections.

Mr. BICKERTON: Such a Government would remain in office for the same length of time as the type of Government mentioned by the Minister. There must be some other reason for denying members the right to move for disallowance of these regulations. I have enough faith in members to realise that they will treat regulations and by-laws affecting the company in the same manner as they treat those from Government departments, local authorities, etc. Regulations which are tabled in Parliament are viewed in a sensible manner, and I see no reason why the regulations affecting this private company would not be viewed in the same way.

Mr. JAMIESON: The Minister has drawn my fire by indicating that this is a complete and vital section of the agreement.

Mr. Court: It is not. It is only part of the administrative section of the agreement.

Mr. JAMIESON: It seems to be a vital part of the agreement.

Mr. Court: You are making it a vital part.

Mr. JAMIESON: The Minister says we have to be very careful about these things, and that we are dealing with a company engaged in a very highly competitive field. I would like to know whether the Governments of Peru or India would give companies the same conditions as are contained in the agreement before us. I doubt very much whether they would, because the composition of the Governments of those countries is such that they are to the left of the type of Government that we have in this country.

The main reason this company is coming here is because of the stability of Government, and the possibility of the company being able to exist during the expected lifetime of its operations. I do not believe retention of this provision is the ultimate criteria under which this agreement was signed, but the Minister seems to imply that it was.

Mr. Court: I never said that at all.

Mr. JAMIESON: By implication the Minister said that the company wanted this provision before it would be interested in the agreement. I am inclined to think the Minister suggested the company should have this particular clause in the agreement, because at some future time a Labor Government might be in power. These sorts of scare tactics have been used in South Australia in an endeavour to frighten industries away since that State had a Labor Government; and the Premier of that State has repeatedly complained about the action of State and Federal members in this connection. As far as I am concerned, this provision has been introduced into the agreement by none other than the Minister for Industrial Development by his saying, "If you have not this protection a Labor Government is likely to do anything to you, and your contract might be voided because you will not be able to carry out your works plan as you proposed. The by-laws you put up will be refused."

I believe the people of this State are the final arbiters on a matter like this, and if a Government acted in this way it would soon find itself on the chopping block. I cannot see the people standing up for a Government that interfered with the reasonable rights of a company, but they would stand by a Government that would say, "We want to be sure the rights of the citizens of the State of Western Australia are upheld by the Parliament of Western Australia."

The argument before you, Mr. Deputy Chairman (Mr. Crommelin) is whether or not the Parliament of Western Australia shall be the one to determine agreements between the Administration of the State for the time being and any company that comes here for its own benefit. I would not be a party to this provision in the agreement, irrespective of what the Savage River agreement, or any other agreement for that matter, contains. We, as a Parliament, should retain this right at all times.

I do not think the company would be unreasonable enough to require this provision to remain in the agreement in order for it to proceed. I would be surprised to see a statement in the Press from a representative of this organisation saying that this provision was the criterion under which it intended to come to this State.

Mr. ROWBERRY: Recently there have been discussions in the Chamber in which the question of laymen and experts has cropped up. As a layman I have the temerity to enter into the expert field. I was interested to hear the member for Pilbara say that members of Parliament are responsible people. To whom are they responsible; and for what are they responsible? I would say they are responsible to the people of this State, and that they are responsible for the welfare of the people of this State.

If we, as a Parliament, agree to some of the provisions in this legislation we are not only abrogating the rights of Parliament but also abrogating the rights of the people of this State. I cannot agree with the Minister when he says if we do not allow the privileges in this legislation we will frighten this company away. Who on earth does he think he is kidding? This is the greatest laugh of the generation.

Does the Minister think companies come here with the milk of human kindness flowing from their breasts in order to give benefits to Western Australia? They come here because they are in the business to make profits. The investments they bring in are welcome, but these will be amply recouped to them from the material assets of this State. So, if they refuse to come here, who will be the loser? We still have the assets, which can be worked and exploited at some future time, but the opportunity for an individual company will have gone by the board.

In case the Minister for Industrial Development thinks this is my opinion, I would like to quote from the leader page of the last issue of *Commerce-Industrial & Mining Review* of July, 1967. This paper is published by the leading industrial, commercial, and financial interests of the State of Western Australia, and their views could not, by any stretch of the imagination, be said to be those of members on this side of the fence. Under the heading, "What Price Glory?" it says—

> At the moment, the Australian economy is passing through a stage of tremendous development of its mineral resources, unparalleled at any stage of the country's development.
>
> Australia has become firmly planted on the map of international mining as leading companies jostle for the right to develop mineral areas.

According to this leader writer, they jostle for the right to come here; so whom does the Minister think he is kidding?

I would like to know from the Minister whether the company asked for this provision to be in the Bill, or did he impose it on the company.

Mr. Court: The company wanted it included.

Mr. ROWBERRY: I am inclined to think the latter was the case. We welcome the investment of foreign capital; but it must not be forgotten that if we fail to get this foreign capital to come here, these areas will be available for exploitation by Australian capital. The results of such Australian development would not be diverted to the far corners of the world, but would be reinvested in the State of Western Australia.

I say in closing that all the investments in this State have been made with one objective in view, and that is to make a profit. Those investments will be recouped 100 times over by the exploitation of the assets of Western Australia. So do not let us believe the Minister when he says we will frighten these people away.

Mr. Bovell: The State benefits materially.

Mr. FLETCHER: I supported the Leader of the Opposition in his amendment the other evening, and I support him with equal enthusiasm now. I do not care what Tasmania has done. Tasmanians did not elect me to this Parliament, and because Tasmania bends over backwards to attract industry, Western Australia does not have to do likewise, as has been amply illustrated by my colleague on my left. He demonstrated that industries are jostling each other to gain advantage from the minerals which exist in this country.

I just said that Tasmania is bending over backwards to attract industry. I suggest that the Minister here is not bending over. He has become prostrate before the directors of this company. Western Australians did not elect these directors, but they did elect all of us in this Chamber.

I want to be as brief as possible and finally state that directors are answerable to company shareholders, and we here are answerable to those who elected us. As a consequence we have a perfect right from time to time to view the by-laws which might be made by this company. Those by-laws should be tabled, the same as are all other papers, for scrutiny not only by individual members, but by Parliament as a whole.

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

Ayes—17	
Mr. Bickerton	Mr. Kelly
Mr. Brady	Mr. Moir
Mr. Davies	Mr. Norton
Mr. Fletcher	Mr. Rhatigan
Mr. Graham	Mr. Rowberry
Mr. Hawke	Mr. Toms
Mr. J. Hegney	Mr. Tonkin
Mr. W. Hegney	Mr. May
Mr. Jamieson	*(Teller)*
Noes—21	
Mr. Bovell	Mr. Lewis
Mr. Court	Mr. Marshall
Mr. Craig	Mr. Mitchell
Mr. Dunn	Mr. Nalder
Mr. Durack	Mr. Nimmo
Mr. Elliott	Mr. O'Connor
Mr. Gayfer	Mr. Runciman
Mr. Grayden	Mr. Rushton
Mr. Guthrie	Mr. Williams
Dr. Henn	Mr. I. W. Manning
Mr. Hutchinson	*(Teller)*

Pairs

Ayes	Noes
Mr. Curran	Mr. Brand
Mr. Evans	Mr. Burt
Mr. Sewell	Mr. W. A. Manning
Mr. Hall	Mr. O'Neil

Amendment thus negatived.

Clause put and passed.

Schedule—

Mr. TONKIN: I rise to make good an undertaking I gave earlier when I said I would express my view with regard to setting laws aside, because it is under the schedule that laws are set aside in order to meet certain requirements of the company.

I say again that despite what anyone else says in any other State or country, I do not like the idea at all. People generally have to abide by the laws which are made, and I cannot justify setting those laws aside in order to meet some special case presented by someone who has the inside running. I have explained before that I object strongly to this Government setting aside certain sections of the Marine Act, because in conferring benefits on some people it brings disadvantage to others. That is always the experience.

When we were discussing the variation clause, which is to be found in the schedule, the Minister was at some pains to show that these variations are limited in scope. He said that nothing very much could be done under the variation clause because the extent to which the variations can be made is set down, and that, in effect, they do not amount to much. In my view they amount to the power to rewrite the whole agreement completely.

I would like to put a question to the Minister which I trust he is in a position to answer. I have my own ideas, but I would like to hear the Minister's. Under subclause (2) on page 19, clause 11 of the Land Act shall be deemed to be modified. Under the variation clause is it possible for some additional deletions to be made from the Land Act and be included with those on page 19?

Mr. Court: I can tell you categorically, now, that you cannot alter a Statute under the variation clause. You can only give effect to variations within the terms of the clause itself. You are asking whether we could take any section out of the Land Act and have it amended within the terms of subclause (2) on page 19 of the Bill?

Mr. TONKIN: That is right.

Mr. Court: Of course we could not effect any variations to actual Statutes, because that has to be done by Parliament, and only by Parliament. It is the provisions of the agreement, so far as their implementation is concerned, which can be varied under the variation clause. I want to say quite categorically, that is the purpose of this clause.

Mr. TONKIN: That agrees with my idea.

Mr. Court: Tasmania included that provision, for some reason; no-one is asking any more.

Mr. TONKIN: Turning to page 45 of the Bill, we see how all-embracing this variation clause is. Part of subclause (1) reads as follows:—

> . . . . or for the establishment or development of any industry making use of the minerals within the mineral lease or such of the Company's works installations services or facilities the subject of this Agreement as shall have been provided by the Company in the course of work done hereunder.

This variation clause permits the alteration of any provision in the agreement to meet a situation about which we know nothing at present, and which may arise because some other company may be set up and use the products of this company. That, surely, is not as limited in scope as the Minister previously suggested. That is all-embracing, and it covers every possible activity of some new company of whose existence we know nothing at present.

This power is in the agreement to meet that situation, and the only qualification is that the new company which may be established will use some of the minerals obtained within the mineral lease, the subject of this agreement. If Parliament thinks that is a good principle, and that we should not have any such alteration brought here for further scrutiny, that is Parliament's business.

I do not like the idea. I think Parliament should be in a position, all the time, to know what is going on with the establishment of industry, and the conditions under which it is established. However, this clause will mean we will set up the agreement for this particular company, and that is all Parliament will know about it. Subsequently, as a result of this agreement, some other company can come along and use the minerals which are obtained under this mineral lease, and that company can be established under all sorts of conditions about which we know nothing, and some of which we might not be prepared to approve.

I do not think that is a reasonable proposition to put to Parliament, and that is why I have previously objected to these variation clauses. The clauses are too all-embracing and I hold strongly to the view that Parliament should, at all times, be informed of the conditions under which these companies are being established. It should know what concessions have been granted, and know of the companies' obligations.

Under this type of legislation it is the Executive which is in control, and I think that is a bad tendency, and does a democracy no good at all. If this tendency continues these matters will be

left in the hands of one or two individuals to determine, away from Parliament, what they consider is right and proper in the circumstances.

I take advantage of the opportunity to make my position clear. I believe that to the ultimate extent possible the Government should take Parliament into its confidence with all of these agreements. We should be told what is likely to be done under the agreements, and not spend hours discussing what we think is going to happen, only to find subsequently that because of a variation clause, nothing at all happens.

The best possible example I could quote is the agreement we had relating to the establishment of a pelletising plant at Deepdale. Certain terms were set out and the company had to carry out feasibility tests within a certain time, and notify the Government whether it would go on. Then, within a certain time, that company had to carry out certain obligations. We spent a lot of time talking about that agreement, and in consideration of those terms we allowed the company to export iron ore from Yampi. That agreement was passed and then we found the Government had extended the time limit, and so it is a Kathleen Mavourneen proposition.

Mr. Court: That was because the company had done better for the State elsewhere.

Mr. TONKIN: Parliament was not told, at the time, that should something better come up the company would be released from its obligations. Parliament was told this company always meets its obligations.

Mr. Court: And it does.

Mr. TONKIN: When I raised the question, I was told this company always meets its obligations. In other words, we were assured this plant would be established at Deepdale within the terms of the agreement. Look at the answers I received to questions asked early this session regarding the extension of time. That extension was such that there is no possibility of anything happening in my lifetime.

Mr. Court: You will live much longer than that.

Mr. TONKIN: I do not think B.H.P. will ever establish this pelletising plant at Deepdale.

Mr. Court: In your heart you hope it won't, but I am advised it will.

Mr. TONKIN: The Minister is running true to form and trying to put words into my mouth. That is an old dodge by the Minister for Industrial Development.

Mr. Court: If I have mastered that art, I have learnt it from you.

Mr. TONKIN: There is no justification for that statement because what I say I substantiate. I hope I shall never stray from that path because that is the only fair and honest way to argue. Whilst this clause is undoubtedly found in legislation elsewhere, I am not bound to approve of it. I think the principle is bad.

I, for one, have a firm belief that if a Government is honest with the people, and honest with the Parliament, it ought to endeavour to keep the Parliament as fully informed as possible, and allow Parliament to make the decisions. Of course, if one wants to follow what this Government has a penchant for doing—that is, channelling more and more power into the hands of the Executive, and less and less into the hands of Parliament—then one agrees to this sort of thing. I say it is a dangerous road on which to travel.

Mr. COURT: Mr. Deputy Chairman (Mr. Crommelin), I would like to deal particularly with clause 15 (1) on page 45 of the Bill, which is the clause the Leader of the Opposition has referred to as part of his objection to the variation clause. I am not going to bother to become involved in any controversy to try to achieve the impossible; because he has expressed his views and I have expressed mine.

However, I do want to explain, in a comparatively brief way, the reason for these added words. With the modern methods of mining and extraction which have developed throughout the world today with industrial minerals, one cannot be quite sure what is going to be available through modern processes on an economic basis for development.

To my mind the classic case in the world today is at Palabora, in South Africa, where extraction of minerals in that area is almost like a petro-chemical complex where they take something out at one plant and pass the rest to another plant, and so on.

This aspect was raised by the company in all good faith and sincerity, and I recommended the Government accept it; because it would be quite futile, if we had a mineral that was available for economic extraction as part of the total operation, if we could not permit the operation which enabled the company to extract. Usually, agreements are concerned with iron ore, but in this case it is iron ore and manganese; and we are ready to allow the company to deal with manganiferous ore as well as iron ore under this agreement.

That is the reason this provision is included. I have one particular example in mind, and that is sulphur. It is quite possible in these areas, where this type of ore exists, that there could be substantial quantities of sulphur. My own conviction is that if Australia is to produce indigenous sulphur, it will be produced as a by-product of other mining projects which can be linked to the production of sulphur.

I mention this one instance to show why it is necessary to permit the company, or its associate, to develop an industry which someone might challenge as being outside the terms of the agreement. That is the only reason which was in my mind when these words were included.

We would find ourselves in a ridiculous situation if we had a plant and a company prepared to proceed if it could not proceed and add another industry through the extraction of an existing mineral.

Schedule put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

House adjourned at 5.55 p.m.

Legislative Council

Tuesday, the 5th September, 1967

The PRESIDENT (The Hon. L. C. Diver) took the Chair at 4.30 p.m., and read prayers.

ADDRESS-IN-REPLY

Acknowledgement of Presentation to Governor

THE PRESIDENT: I desire to announce that, accompanied by several members, I waited on His Excellency the Governor and presented the Address-in-Reply to His Excellency's Speech, agreed to by the House. His Excellency has been pleased to make the following reply:—

> Mr. President and honourable members of the Legislative Council: I thank you for your expression of loyalty to Her Most Gracious Majesty The Queen, and for your Address-in-Reply to the Speech with which I opened Parliament.

CONDOLENCE

The Late Hon. A. R. Jones, M.L.C.: Motion

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [4.34 p.m.]: I move, without notice—

> That this House expresses its deep regret at the death of The Hon. Arthur Raymond Jones, a former member for the West Province and Deputy Chairman of Committees in the Legislative Council of Western Australia, places on record its appreciation of his long and meritorious public service, and tenders its profound sympathy to the members of his family in their bereavement.

It is with sincere and profound regret that I find it necessary to move this motion. Ray Jones, as he was well known, was born on the 13th January, 1909. He was a likeable man in his personality. At his death he was only 58 years old—too early these days to die.

He farmed in the Miling district from its early days, and it was from there he joined the R.A.A.F. as a transport fitter on the 10th March, 1942, at the age of 33. He left the Air Force on the 30th January, 1945. He was keenly interested in local government activities, and at one time was a member of the Moora Road Board.

Ray Jones was a member of the Legislative Council from May, 1950, a period of 17 years. He became the new member for the Midland Province, and succeeded The Hon. H. A. C. Daffen, M.L.C., a former member of the Central Province. The name of the province was changed to the Midland Province as from the biennial election of 1950.

The late honourable member, Mr. President, was a Deputy Chairman of Committees and he performed that duty well and impartially. He was also a member of the House Committee. In addition, he was Senior Vice President of the Country and Democratic League; and he was Secretary of the Miling and District Pasture Improvement Group—the first organisation of its kind, I understand, in this State.

Ray Jones made a considerable contribution to agriculture and he brought to this House a wide knowledge, and experience, of our most important primary industries. He was always outspoken in matters affecting agriculture, and in representing his province and constituents. He was actively interested in a variety of sporting pastimes such as cricket, football, golf, tennis, fishing, and bowls.

We have known our late member to have been very sick for some considerable time but he always showed great spirit and endurance. Invariably he was optimistic of rejoining his colleagues in this Chamber. Unfortunately, this was not to be.

Predeceased by his wife, Ray Jones passed away leaving two daughters, Margaret and Janet, to mourn their loss. With them we mourn his death and we extend our very deep sympathy to them in their time of great sadness. We shall miss him very much.

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the Opposition) [4.38 p.m.]: I second the motion moved by the Leader of the House, which motion has been occasioned by the death of an associate and colleague of very high standing in the person of the late Ray Jones. Ray Jones has kept an appointment which time, inevitably, has in store for all of us. It has been sad for us in this Chamber, who knew him so well, to know that he suffered for so long but courageously before he died. It is dreadful to be so ill for such a long time, but the