

# Legislative Council

Friday, the 12th May, 1972

2.

LAND

Reserve No. 14163

The Hon. F. R. WHITE, to the Leader of the House:

Further to my questions on Wednesday, the 3rd May, 1972, and Wednesday, the 10th May, 1972, relative to Reserve No. 14163 (Parkerville Lot 336), would the Minister advise—

- (a) why the "vegetation growing on this attractive piece of bushland" is being destroyed by the Main Roads Department as a result of its excavation of gravel;
- (b) why the local authority and owners of property adjoining the Reserve were not notified that gravel was to be removed;
- (c) why the Lands Department lacks knowledge of the use and desecration of this Reserve by another Government instrumentality?

The Hon. W. F. WILLESEE replied:

I desire to ask for a postponement of this question. In view of the fact that it is probable we will not sit again for some time I will write to the honourable member and include the reply to the question as soon as I receive it.

## 3. MEMBERS OF PARLIAMENT

*North-West Tour*

The Hon. V. J. FERRY, to the Leader of the House:

- (1) Is it the intention of the Government to arrange for a tour of the Pilbara and Kimberley regions in a similar manner to those organised by the previous Government to allow members of this Parliament an opportunity of familiarising themselves with current conditions in these areas?
- (2) If so, when may it be expected that such a tour may be made?

The Hon. W. F. WILLESEE replied:

- (1) and (2) It is not intended to arrange a tour of the Pilbara and the Kimberley regions this year. Consideration will be given to the desirability of arranging such a tour in 1973.

4.

SEX SHOPS

*Banning Legislation*

The Hon. N. McNEILL, to the Leader of the House:

- (1) Is it correct that the Government intends taking legislative or other action to prevent the operation of so called sex shops in Western Australia?

The PRESIDENT (The Hon. L. C. Diver) took the Chair at 2.15 p.m., and read prayers.

## QUESTION WITHOUT NOTICE TRAFFIC ACCIDENTS

*Blood Tests*

The Hon. L. A. LOGAN, to the Minister for Police:

Are all occupants of motor vehicles involved in fatal or serious accident cases subjected to blood tests for alcoholic content?

The Hon. J. DOLAN replied:

No. Section 32B(1) of the Traffic Act provides for the taking of breath or blood samples for alcohol concentration of all drivers of motor vehicles in serious or fatal accidents in certain circumstances. However, in the case of fatal accidents, blood samples are taken from all deceased persons in the course of post-mortem examination.

## QUESTIONS (5): ON NOTICE

### 1. MARINE LIFE

*Effect of Defoliants and Herbicides*

The Hon. N. McNEILL, to the Leader of the House:

- (1) Has the Government received a submission from the Shire of Waroona concerning the use of defoliants and herbicides, and their possible effect on marine life?
- (2) If so—
  - (a) to what authorities or departments has the submission been referred;
  - (b) what acknowledgments have been made by those authorities; and
  - (c) what further action, if any, is contemplated or intended by the Government?

The Hon. W. F. WILLESEE replied:

- (1) and (2) No, as far as the Department of Fisheries and Fauna is aware. However, the department did receive a letter from a private individual who is also a Waroona councillor, on the subject of defoliants and their possible effect on aquatic life.

If the Hon. Member could be more specific, the matter will be further investigated.

- (2) If so, does he consider that the passage of legislation to amend the Contraceptives Act to enable certain shops to display and sell contraceptive devices, and to facilitate advertising of contraceptives, will make it easier for sex shops to display their pornographic wares?

The Hon. W. F. WILLESEE replied:

- (1) Action in connection with the operation of sex shops is proceeding and will assume definiteness following the conference today of Commonwealth and State Ministers.
- (2) No.

## 5. DAYLIGHT SAVING

### *Composition of Committee*

The Hon. D. J. WORDSWORTH, to the Chief Secretary:

If it is not fitting to have a woman on the Daylight Savings Committee of Inquiry, why are there representatives of other interested organisations on that Committee?

The Hon. W. F. WILLESEE (for the Hon. R. H. C. Stubbs) replied:

Representations on the Committee of Inquiry are either from Government Departments directly concerned or from organisations from industry and commerce which provide State wide and not sectional cover.

As previously stated advertisements inviting the views of all organisations and individuals are being inserted in metropolitan and country newspapers.

## ADJOURNMENT OF THE HOUSE: SPECIAL

**THE HON. W. F. WILLESEE** (North-East Metropolitan—Leader of the House) [2.24 p.m.]: I move—

That the House at its rising adjourn until 2.15 p.m. on Tuesday, the 30th May, 1972.

Question put and passed.

## IRON ORE (RHODES RIDGE) AGREEMENT AUTHORIZATION BILL

### *Second Reading*

**THE HON. W. F. WILLESEE** (North-East Metropolitan—Leader of the House) [2.24 p.m.]: I move—

That the Bill be now read a second time.

The Bill now before members seeks Parliament's authority for the Government to enter into the agreement appearing as a schedule to the Bill. If passed, the Bill will authorise the Premier to sign the agreement on behalf of the State. After it is signed by all the parties the agreement will immediately have the force of law. Members will recall that this procedure closely parallels the approach used for the Alumina Refinery (Upper Swan) Agreement Bill and follows the Government's stated intention at that time to use authorisation Bills as standard procedure for industrial and mining agreements.

As worded the Bill authorises the execution of an agreement "substantially" in the form shown in the schedule. The term "substantially" is intended to allow sufficient flexibility to enable any last minute corrections or legal drafting alterations of a minor nature to be carried out. In this way such things as spelling errors or incorrect words can be altered without having to refer such changes to Parliament for approval. However the agreement cannot be altered to change the rights or obligations of either the State or the joint venturers, or to modify the principal objects of the agreement, without the approval of Parliament.

The parties to the agreement are the State and a joint venture comprising Rhodes Ridge Mining Co. Ltd. and the Hanwright partners. Rhodes Ridge Mining is a wholly-owned subsidiary of Texas Gulf Inc. I am sure members will be familiar with the parent company name of Texas Gulf Sulphur Company. Texas Gulf is of course a participant in the Robe River project. I am informed that Texas Gulf Inc. was adopted as a new name at the company's annual general meeting in the United States on the 28th April last. Texas Gulf has agreed to unconditionally guarantee the performance and obligations of its subsidiary, Rhodes Ridge Mining. The actual joint venture shares will be Rhodes Ridge Mining—50 per cent., Hancock Prospecting—25 per cent., and Wright Prospecting 25 per cent. Rhodes Ridge Mining will control and operate any project arising from this agreement on behalf of the joint venturers.

Under the agreement the joint venturers will obtain rights of occupancy to nine iron ore temporary reserves located in the vicinity of Mount Newman, including what is called the Rhodes Ridge ore-body, for a five-year period. The temporary reserves are shown coloured green on a plan which I will with your permission, Mr. President, table as of now.

*The plan was tabled.*

At present these rights are held in the names of Nicholas and Rhodes but are under option to Hanwright. Before signing the agreement the joint venturers will secure a transfer of these rights to the names of Hancock, Wright and Rhodes Ridge

**Mining.** The nine temporary reserves involved were issued under new terms and conditions in mid-1971 and are not involved with temporary reserve applications now being considered by the Government. The joint venturers are required to carry out investigations and studies and make reports to the State during the initial five-year period. Unless an extension of time is granted by the Minister the joint venturers must submit firm development proposals to the State before the end of the five-year period.

The agreement contemplates an initial set of proposals covering among other things the mine, railway, port, townsite and water supply developments required for the first iron ore contracts needed to establish the project. Later, if the joint venturers desire to expand their level of output the Minister may require them to submit further proposals to the State. This provision also applies to any additional expansions.

After obtaining approval of proposals the joint venturers have the right to apply for a mineral lease covering an area not exceeding 300 square miles. Upon the granting of such a lease the rights of occupation would cease.

Under the agreement the joint venturers must provide all facilities required for their operations including schools, hospitals, medical facilities and police stations. The agreement makes provision for the joint venturers to make use wherever possible of the existing Pilbara infrastructure, after first obtaining the agreement of the parties involved.

The joint venturers will pay a higher schedule of royalties under this agreement. The royalty provisions compared with previous iron ore agreements are as follows:—

Direct shipping lump ore—royalty remains at  $7\frac{1}{2}$  per cent. of the FOB value.

Direct shipping fine ore—royalty was previously  $3\frac{3}{4}$  per cent. but now becomes  $7\frac{1}{2}$  per cent. of the FOB value.

Fines—royalty was 15c a ton, escalated every five years in step with BHP's price for pig iron. The current figure is 17.75c a ton. However, under this agreement royalty becomes  $7\frac{1}{2}$  per cent. of the f.o.b. value.

Locally used or processed ore—the royalty provisions remain unaltered at 15c 'escalatable'. Again the current figure is 17.54c a ton.

The effect of these changes can only be estimated approximately but as a guide royalty revenue should increase by approximately \$1,000,000 a year for a 10,000,000 tons a year project. Rentals for Crown lands, temporary reserves, and mineral leases will also be higher than for previous agreements.

The joint venturers have accepted an increased commitment to secondary processing in lieu of establishing an iron and steel industry. Under several existing agreements companies are obliged, if economic, to undertake secondary processing by the end of year 12 and progressively to increase this to 2,000,000 tons annual capacity by year 17. In addition, the requirement has been to produce steel by year 25 and build up capacity to achieve an output of 1,000,000 tons of steel by year 32. Under this agreement the joint venturers will, again if economically viable, undertake secondary processing by the end of year 12 at an annual throughput of 2,000,000 tons and progressively build this up to an annual capacity of 6,000,000 tons by year 30. The increased secondary processing obligation is considered a more desirable and practical alternative to steel, which should result in comparable investment and employment while improving the range and marketability of iron ore products from the Pilbara.

The Hon. A. F. Griffith: Even if they do not have to do anything for five years?

The Hon. W. F. WILLESEE: Most of the remaining provisions in the agreement closely parallel those in previous agreements. However, the agreement has been prepared in a new form. It is divided into sections, each bearing an identifying title which takes the place of marginal notes which appeared in previous agreements. The sections have been grouped into five major parts, as follows:—

Part I—Entitled "Preliminary," which contains definitions and required amendments to existing acts.

Part II—Entitled "Feasibility Studies and Preparation of Proposals," which is self-explanatory.

Part III—Entitled "Implementation of Proposals," which deals with the joint venturers' firm obligations to construct and operate all the various facilities needed for an iron ore project.

Part IV—Entitled "Secondary Processing," which covers the joint venturers' obligation to investigate and embark upon secondary processing.

Part V—Entitled "General Provisions," which contains all the usual clauses related to delays, notices, arbitration, assignment, and the like.

It is hoped that members will find the new format more convenient and the agreement easier to follow.

Returning to the content of the agreement, the joint venturers have expressed a desire to locate their port operation in the vicinity of Cape Lambert or the Dampier Archipelago. They will investigate a number of possible port sites in the area, including Legendre Island, before

seeking State approval for any particular site. The joint venturers must submit as their first proposal a chosen port site and, in line with previous agreements, the Minister's decision on the port site is final and cannot become the subject of arbitration. Their studies will include the possible sharing of existing port facilities with other companies.

When the port site has been settled the joint venturers will proceed to submit proposals for detailed port construction, a railway, townsites and housing, water supplies, roads, power supplies, airfields, dust control, drainage, and areas of land required from the State. Provisions concerning proposals are the same as those appearing in previous agreements and such proposals are referable to arbitration in the event of any dispute. Once approved by the Minister, proposals become binding on all parties and must be implemented.

A port for this project in the Dampier-Cape Lambert area would be very significant. If the joint venturers succeed in launching their project, a new rail link will be required along the Fortescue River valley to connect the Rhodes Ridge deposit to the port. Such a link would be of great benefit to the Pilbara generally because, through co-operation between companies, ore from the general Mount Newman area would then have access to the Dampier Archipelago and Legendre Island, a port site which the State believes has the potential to handle the biggest bulk ore carriers now foreseen. The ability to accommodate the largest available ships could prove to be of great benefit in the years ahead.

The joint venturers are required to make a thorough assessment of the likely environmental impact of their project. This specific provision has not appeared in earlier agreements. The agreement has already been referred to the Director of Environmental Protection, and his comments have been incorporated in the document. Later on, all of the joint venturers' proposals will be referred to the Environmental Protection Authority for comment when they are submitted for ministerial approval in due course. This agreement does not exempt the joint venturers from complying with all existing and any future environmental protection legislation.

The remaining provisions of the agreement closely resemble those appearing in earlier agreements. Provisions relating to townsites, roads, water supplies, and electricity have been expanded, compared with earlier agreements, to take account of the State's experience in the Pilbara over the past few years. Provisions appear in the agreement whereby the joint venturers will construct and operate their plant and equipment and provide all necessary facilities to enable them to do so without cost to the State.

Part V of the agreement contains the usual general provisions concerning delays caused by *force majeure*, assignment to other companies with the Minister's approval, by-laws, default, variations, and arbitration. Any substantial variation to the project must be tabled in both Houses of Parliament and Parliament has the opportunity to disallow the variation.

The final section of the agreement contains the provisions whereby Texas Gulf Inc. guarantees the performance and liabilities of its subsidiary, Rhodes Ridge Mining Co. Ltd.

Before concluding let me endorse the remarks of my colleague in another place and say that this agreement is most welcome in spite of the current levelling-off in Japanese iron ore demand. World steel production shows remarkably steady growth over the years and we must look to the longer term with a project of this kind.

Rhodes Ridge ore has been proven, in the drilling programme carried out to date, to contain a comparatively high phosphorus content, and if the joint venturers can succeed in marketing this ore it will be of considerable benefit to the State because many millions of tons of high phosphorus ore apparently exist throughout the Pilbara region. I therefore commend this Bill to the House.

Debate adjourned, on motion by The Hon. A. F. Griffith (Leader of the Opposition).

## STATE TRADING CONCERNS ACT AMENDMENT BILL

### Second Reading

THE HON. J. DOLAN (South-East Metropolitan—Minister for Police) (2.40 p.m.): I move—

That the Bill be now read a second time.

The purpose of this Bill is to amend the State Trading Concerns Act, 1916-1968, to give the State Implement and Engineering Works authority to borrow funds from sources other than the State Treasury.

Members will recall that this Act was amended in 1968 to give similar authority to the West Australian Meat Export Works.

Several months ago the Government set up a committee to examine the future of the State Implement and Engineering Works. The committee was under the chairmanship of the Director of Engineering of the Public Works Department and the other members were—

- the Under-Secretary for Works;
- the Assistant Under-Treasurer;
- the Mechanical and Plant Engineer of the Public Works Department;

the Deputy Co-ordinator of the Department of Development and Decentralisation;

a representative of the Chamber of Manufactures; and

a representative of the Trades and Labor Council of W.A.

The Government felt that it was an appropriate time to review the role of the works because it was obvious that some machinery needed replacing and some of the buildings needed upgrading.

That committee has now submitted its report and broadly speaking it recommends that the works should remain on their present site for the time being. It is the intention of the Government to remove industry from this area eventually, but this is necessarily a long-term proposal and, in the State's present financial circumstances, it would not have been possible, financially, to relocate the works at the present time.

It also recommended that the works should be maintained at about their present size; that is, with a work force of up to 320 men. It was felt that this was necessary to enable the works to provide the service required of them by Government departments and private industry—particularly by small private firms in the Fremantle area.

Finally the committee recommended a programme of replacement and rehabilitation of amenities, buildings, and machinery which is considered essential for the works to continue to operate efficiently at about their present level of output. It is estimated that this programme will cost in the vicinity of \$860,000.

The Government has accepted the committee's recommendation and this Bill is designed to enable the works to borrow funds to finance part of the programme.

I think it is interesting to recall that these works were set up in 1913 as a State trading concern to manufacture agricultural implements and machines to supply the needs of the new farming areas which were then being opened up in the State. They continued this manufacturing role until, during the depression years, it was gradually phased out and the works became a repair and manufacturing concern for various Government departments, including the State Shipping Service.

During the war, the works were reorganised and expanded and, for some time, were employing between 700 and 800 men. They carried out refits and repairs to vessels of the Australian, British, Dutch, and American navies. In addition, they produced Bren gun carriers, including malleable iron tracks. During these years considerable additions were made to workshop machinery.

Although there have been improvements made to the factory over the last 10 years, the stage has been reached where a major re-equipment programme needs to be undertaken just to allow the works to continue to operate efficiently at their present level of output. It is proposed to undertake this programme over the next three years.

The work would be financed partly from the internal funds of the concern and partly from money it would borrow under the authority proposed by this Bill. It is estimated that about \$120,000-worth of the work could be financed from internal sources, leaving the balance of \$740,000 to be borrowed.

One of the reasons that the re-equipment programme is to be phased over three years is to keep the amount raised by the works in any one year to \$300,000 or less, which would place them in the category of smaller authorities for Australian Loan Council purposes. Under this arrangement it would not be necessary to direct to the State Implement and Engineering Works any of the State's scarce capital funds which have been allocated by the Loan Council for its own works and housing programme and for the works of the larger authorities.

Debate adjourned, on motion by The Hon. A. F. Griffith (Leader of the Opposition).

## PUBLIC SERVICE ACT AMENDMENT BILL

### *Second Reading*

Debate resumed from the 9th May.

**THE HON. A. F. GRIFFITH** (North Metropolitan—Leader of the Opposition) [2.45 p.m.]: I intend to support the second reading of this Bill. When introducing the Bill the Minister explained that at the present time the permanent head of a department of the Civil Service may give written consent for the accumulation of annual leave for recreation for a period not exceeding three years when the convenience of the department is to be served. This Bill will allow accumulation of leave for a longer period on the recommendation of the permanent head and the approval of the Minister in charge of the department.

Within my own personal experience there have been occasions when senior officers of a department found it difficult to take leave at the time it was due. Therefore, with the passage of this legislation, in exceptional cases it will be possible for the Minister, on the recommendation of the permanent head, to approve the accumulation of further leave.

Of course, where the permanent head himself is involved, I take it he would make a recommendation himself to the Minister.

The Minister has the final say, and I feel sure that he will exercise proper discretion. I consider it is unnecessary to say anything further in support of the Bill, and I content myself with those few remarks.

**THE HON. J. DOLAN** (South-East Metropolitan—Minister for Police) [2.48 p.m.]: I thank the honourable member for his support and I commend the Bill to the House.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

Bill read a third time, on motion by The Hon. J. Dolan (Minister for Police), and passed.

#### **CHILD WELFARE ACT AMENDMENT BILL (No. 2)**

*Second Reading*

Debate resumed from the 11th May.

**THE HON. L. A. LOGAN** (Upper West) [2.51 p.m.]: When we passed the Community Welfare Bill it became obvious to all members that amendments would be required to the Child Welfare Act so that it would conform with the provisions of the Community Welfare Bill. This measure is introduced for that purpose. At the same time opportunity is taken to make two other amendments; one dealing with the use of courts of petty sessions instead of justices, and the other dealing with the third schedule. We can do nothing but support this measure.

However, I support it with some regret and sadness. When a department has been in existence for 25 years and one has had the privilege of being the Minister concerned for 12 of those years, and one finds that this department, together with the Native Welfare Department, is to be absorbed into the Community Welfare Department, one must feel some sadness.

The Child Welfare Department for 25 years has performed a difficult task. It is to the credit of those who have been associated with it that the department has managed to perform a task of the magnitude it has over the years. I can assure members that all those associated with the department—from the director down—have experienced some difficult times as a result of the attitude of the community and the attitude of parents. The officers concerned have had a long, hard battle to overcome prejudice in the community.

I only hope that in future the Treasurer and the Under-Treasurer will appreciate the necessity for further finance to be

made available so that the work of the officers concerned may be carried out properly.

The Hon. W. F. Willesee: Hear, hear!

**The Hon. L. A. LOGAN:** When I was the Minister it always seemed that the department was a poor relation, and that we received what was left over. I can assure members it was not very much. The Minister who is charged with the responsibility to administer a combination of the Child Welfare and Native Welfare Departments—as well as the further provisions in the Community Welfare Bill—will be in an almost impossible position unless finance is forthcoming.

There is a further problem; that is, if the State is too generous in regard to certain aspects of this work, it merely relieves the Federal Government of some of its responsibilities. One of the difficulties associated with this work has always been that when one tries to improve the lot of those in unfortunate circumstances, one finds that one is only relieving the Commonwealth of some of its responsibilities. That is an ever-recurring problem so far as the department is concerned. I am sure the present Minister has found this to be so.

Under the new set-up the department will have a wider scope of activities. I know that when I was the Minister we came across many cases we would have liked to help to a greater extent, and often we did things without having the necessary power because it was essential to do so.

It is necessary to pass this measure after having passed the Community Welfare Bill, and I do not think there is any need to delay its passage. However, I felt I would like to express my regret that after being associated with the department for so long its identity should be lost. The Act will remain in existence, but it will be administered by another department which may not have the same impact upon, or approach to, the community. No longer from the departmental point of view will the word "child" be the number one issue. I suppose it is no use crying over spilt milk, and it may be said that this is the general trend throughout the world. Although that may be so, it does not necessarily mean it is right. I hoped that we would be able to retain the departments in conjunction with one another under a title such as the child and community welfare department. However, we cannot go backwards now. We must accept the inevitable with good grace. I find no fault with the Bill and I support the second reading.

**THE HON. W. F. WILLESEE** (North-East Metropolitan—Leader of the House) [2.58 p.m.]: I am a little sad that Mr. Logan, being an ex-Minister for Child Welfare, made the statements he did. I

feel there is a connotation attached to the words "child welfare" and "native welfare" which we could well do without. This legislation obliterates those words from the Statutes in an endeavour to create more public interest in this matter which is, of course, eminently public. It is natural that Mr. Logan should feel some personal wrench that the department he administered for so many years will no longer exist. I understand that; I appreciate it; and I accept it.

However, I do not believe this move is inevitable or that it is not in the ultimate and best interests of those concerned. I would remind the House that this session we have passed the Guardianship of Children Bill, which will be administered by the director of community welfare when it becomes an Act. We will lose nothing in the movement from child welfare to community welfare. The provisions of the Guardianship of Children Bill are such that the child is of paramount importance. We are taking a further step in the direction of welfare inasmuch as now we are to regard the care of individuals who cannot care for themselves as being of paramount importance.

I thank Mr. Logan for his remarks and I appreciate that what he said has come from the heart, but I believe he will probably emulate what I am now doing should he follow in my footsteps some day.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

Bill read a third time, on motion by The Hon. W. F. Willesee (Leader of the House), and transmitted to the Assembly.

## **ALCOHOL AND DRUG DEPENDANTS: TREATMENT**

*Inquiry by Select Committee: Motion*

Debate resumed, from the 3rd May, on the following motion by The Hon. R. J. L. Williams:—

That a select committee be appointed to investigate and assess the present facilities and methods available, both Governmental and others, and to inquire into and report to the House on ways and means to develop, improve, and co-ordinate the treatment of alcohol and drug dependants.

**THE HON. W. F. WILLESEE** (North-East Metropolitan—Leader of the House) [3.04 p.m.]: The remarks I will direct towards this motion will be brief, and I propose to read from the notes I have before me.

The State Health Council has investigated the report of the Director of Mental Health, and it recently set up a subcommittee to discuss ways and means of dealing with the problem of alcoholism in this community. The subcommittee consists of the Director of Mental Health, together with representatives from the University Department of Medicine and the Department of Psychiatry, and persons co-opted from voluntary organisations, Department of Corrections, Public Health Department, and other interested bodies.

The Director of Mental Health has also had informal discussions with the superintendents of teaching hospitals likely to be involved in the programme. The subcommittee has already held two meetings and a further meeting is scheduled for next month. It is hoped that the committee will shortly be in a position to make firm recommendations concerning this matter. Working groups have already been appointed to collect and collate information on statistical data, the rationalisation of treatment facilities, and on prevention and community education.

The position of drug dependency in this community is under constant review by the Public Health Department and the Mental Health Services, but it is considered that at present few drug-dependent persons here can be adequately catered for by existing facilities in the general and psychiatric hospitals.

In the circumstances which have arisen only very recently, it seems that the appointment of a Select Committee at this point in time would be unnecessary and premature. I oppose the motion.

Debate adjourned, on motion by The Hon. L. A. Logan.

## **RURAL RECONSTRUCTION SCHEME**

*State Government Policy: Motion*

Debate resumed, from the 26th April, on the following motion by The Hon. D. J. Wordsworth:—

That this House is of the opinion that the rural situation is being aggravated by the policy of the State Government in relation to—

- (a) enlarging staff to speed the distribution of rural reconstruction funds;
- (b) the granting of emergency carry-on finance;
- (c) delays in announcing wheat quotas;
- (d) diversion of funds from rural works such as water supplies;
- (e) the veterinary school at Murdoch University and agricultural high schools.

**THE HON. W. F. WILLESEE** (North-East Metropolitan—Leader of the House) [3.07 p.m.]: On the subject of rural reconstruction the honourable member's figures are, like his argument, hard to follow. For instance, he quotes that in over a year the Rural Reconstruction Authority has distributed less than \$1,000,000 whereas the situation is that in less than 11 months from first approval, and within six months of the relative State Act being passed, the authority has distributed more than \$3,200,000.

The present situation is that 155 settlements have been completed and the securities for a further 130 have been prepared and are in various stages of processing.

The honourable member makes light of "difficulties" but I feel that, as has been said before, he does not appear to be fully aware of just what they can be. Some of these difficulties that occur frequently are worthy of being brought to the notice of the House. They are as follows:—

- (1) A family partnership applies for farm build-up and it is approved. The family, without referring to the authority, decides to buy the property in the name of a minor who is not a member of the partnership.
- (2) A mortgagee whose mortgage is to be discharged, cannot be located.
- (3) Caveats are lodged by creditors and delays occur in their withdrawal.
- (4) Title owners are deceased and no progress at all has been made in legal processing of the estate.
- (5) Applicant revises his request and fresh documents need to be drawn.

I could quote many more but the point is well enough illustrated.

The distribution of funds reached \$1,500,000 for March and will be much higher for April. The system now is operating most efficiently and there seems no doubt that the bulk of the approvals to date will be completed by the end of this financial year.

It is worthy of note that Western Australian distribution of funds at 34 per cent. of approvals is now little behind the average for all States and will be better than average by the end of this month.

The Hon. A. F. Griffith: Have you a copy of your notes to make available to the mover of the motion?

The Hon. W. F. WILLESEE: I will make my copy available to him immediately afterwards. Immediately the authority is aware that an applicant is experiencing difficulties because of delays, bridging finance from his bankers is suggested and is usually provided. This particularly applies

in the matter of carry-on finance and the authority is receiving much appreciated co-operation from banks and stock firms in this regard.

In referring to protection orders the honourable member again makes use of his poetic license to reduce the number of orders issued by 50 per cent. He was informed in the house that 16 had issued but here he refers to eight. Requests for many more against individual creditors had been received but the authority, by contact with such creditors or their solicitors, is able to obtain their co-operation and avoid the necessity to issue the orders.

#### Emergency Carry-on Finance:

Turning now to emergency carry-on finance we find the honourable member is not acquainted with the actual situation. Such loans are now available to farmers without the necessity for the processing of an application by the Rural Reconstruction Authority, and without restriction as to district.

In the original announcement the requirement related to applications from farmers who had been affected by the 1969 and 1970 droughts and had had their crops damaged by heavy rain in spring 1971. At the time of the announcement it was a reasonable requirement as farmers had adequate time to make a submission to the Rural Reconstruction Authority for long-term finance and so determine their overall financial position.

It would seem logical that a farmer who is having financial problems would study his enterprise from a business point of view and seek to make long-term financial arrangements in this way. In any event not many farmers chose to make these approaches, either because they did not read the announcement carefully enough, they did not want to have their position examined critically for fear they would be declared 'unviable' or they merely put off doing anything about their financial position until later.

Having examined the position the Government has removed this requirement and a farmer seeking this sort of financial assistance is now free to apply.

The honourable member also refers to a requirement that a farmer, who in 1971 received the \$2,000 emergency financial assistance, should be required to pay back his loan plus an additional \$500. It is true that the Press statement released on this issue could be interpreted to mean this to be the case. Such an interpretation is, however, so obviously illogical that the alternative interpretation automatically presents itself: that a farmer who was affected by drought in 1969 and 1970, and by heavy rains in late 1971, is eligible for a loan of \$2,000 plus an extra \$500 to the extent which he has repaid his previous loan. In other areas emergency carry-on finance is only available on one occasion.



The nature of the emergency carry-on funds must be clearly recognised. These are funds made available from the public purse to people who cannot get carry-on finance from any other source. If they are made available year after year to the same farmer or farmers, they become part of the total sources of rural credit which is patently undesirable.

It is true that many new land farmers are in serious financial trouble. One basic reason for this is that many farmers were allocated land regardless of their having the capital resources to develop such land during the period when new land was being released at a rate of 1,000,000 acres a year. The Government of the day was warned of the potential financial difficulties inherent in this approach. Many of these farmers would not have been successful under the best of agricultural conditions and many more had no reserves with which to meet harder times.

The Hon. L. A. Logan: The Land Board is supposed to check on it.

The Hon. A. F. Griffith: When that land was being allocated there was a clamour for it right throughout the State.

The Hon. W. F. WILLESEE: While there is a general sympathy for the position in which such farmers now find themselves the question is whether it is a community responsibility to rescue financially a man who gambled from a limited resource base in undertaking a capital intensive enterprise in the hope of building a substantial capital asset, and lost.

The Hon. A. F. Griffith: The Government thinks it is when it comes to the transport operators who do not pay their road maintenance taxes.

The Hon. W. F. WILLESEE: Because of the special problems of shifting back to urban conditions and employment, something is being done for these people through the rehabilitation loans under the Rural Reconstruction Scheme and through emergency carry-on funds.

#### Wheat Quotas:

The allocation of wheat quotas is a complex problem on which it is difficult to satisfy all people concerned. Changes in the system are complicated by the understandable attitude of a farmer who has been allocated a quota over the last three seasons, and who, regardless of the base on which it was calculated, regards that quota as his unalienable right.

The Wheat Quota Review Committee submitted its report in September. The Act required that consultation take place with the Farmers' Union. The Farmers' Union obviously needed time to study the report. After study and discussion they could not agree and there was further

consultation before a final decision could be made and this decision was announced on 21st April.

It is apparent from the announcements of the wheat quota allocation to Western Australia that the wheat available for allocation would be increased from 76,000,000 to 88,000,000 bushels, an increase of almost 16 per cent. In budgeting, this knowledge would be sufficient for discussions between the client and banker. While the changes made in the system of allocation could benefit some and slightly affect the quotas of others, the latitude in budgeting must obviously allow for such variation. It is also relevant that, particularly in the honourable member's area, barley is an important and profitable crop and forecasts have been made that barley prices will be similar to, or better than, those received in 1971-72, with a net realisation of 73c for feed barley and 83c for malting barley expected. While every effort was made to announce wheat quotas earlier, because it was appreciated that it was of some importance to farmers to know this, it did not prove to be a practical possibility.

The honourable member also mentions the payments of pensions to farmers to enable them to remain on their farms. Social services are an area where there is heavy Commonwealth Government commitment and it would seem appropriate for such suggestions to be referred to the Commonwealth.

#### Rural Water Supplies:

The honourable member remarked that he had pleaded on several occasions for water supply for such towns as Gnowangerup, Borden, Bremer Bay, Mt. Barker, and Tambellup.

I am informed that all these towns with the exception of Bremer Bay have had a reticulated water supply for some years. Provision for Bremer Bay is listed for consideration in the 1973-74 programme.

With regard to Pingrup, proposals for the provision of a reticulated scheme to this small township have previously been rejected on economic grounds, and the cost factor prohibits funding by means of shire loan facilities.

The honourable member also referred to the diversion of funds from rural works, such as water supplies. In this matter, I am informed there has been no diversion of funds originally allocated to the Public Works Department for expenditure on rural water supplies. Any changes made within the allocation have been the result of overall priority adjustment.

#### Veterinary School:

There is no suggestion of veterinary schools in the plural sense being established in Western Australia. The report

and recommendations of the Tertiary Education Commission have been in the hands of the Minister for Education only since last Monday and are presently under consideration. An early announcement is likely to be made.

The Stern Committee which was formed by the previous Government has made certain recommendations which will be considered by this Government.

The newspaper's source of authority for the \$10,000,000 referred to is questioned as the Minister for Education is unaware of this statement.

#### T.B. and Brucellosis Eradication:

The honourable member has suggested that this programme is not going well. In fact the programme was initiated by a decision of the Australian Agricultural Council and is a national programme under the direction of a national committee financed by Commonwealth and State funds.

On an Australia-wide basis the programme has accelerated work on brucellosis to the extent that there could be some shortfall in available Commonwealth funds in the central fund during 1972-73. As indicated by the Minister in his Press statement of the 11th April, the eradication effort in Western Australia is ahead of other mainland States. The Minister also made the point that as this was not a grower programme, eradication was based on a plan which had to be related to the capacity of field staff and laboratory facilities to cope with the collection and processing of blood samples obtained. Further, the capacity of the Cattle Industry Compensation Fund to meet compensation payments had to be taken into account.

The programme in Western Australia was based on trace-back from abattoirs. Where a strong positive reactor was identified the property was placed in quarantine. The effect of this quarantine was to require that adequate precautions be taken to ensure that breeding stock are tested prior to sale so that the disease is not spread. Steers over the age of six months can be sold without restriction.

It is quite incorrect to suggest that operators will not return to herds for two years. The exact position in Esperance is that 25 herds have been identified as infected through abattoir trace-back of over 90 herds from which animals were forwarded to abattoirs.

This is a major eradication campaign which will require at least 10 years to achieve on a State or Australian basis. It would be possible to spend very large sums of money in the programme. It is a question of achieving the ultimate aim as quickly as possible within a level of cost and commitment which permits other important work to be continued. It is difficult to see how the honourable member

relates this particular part of his speech to an overall criticism of the Government. The programme was not initiated in the Esperance area until March, 1971, and, in general, is going well in Western Australia.

I oppose the motion.

**THE HON J. HEITMAN** (Upper West) [3.23 p.m.]: I must support this motion, although I was pleased the Minister told us some of the latest developments. It is gratifying to know that \$1,400,000 was paid out in March, because up to that stage very little had been paid out.

I do not want to dwell on this point for long, but I would like to refer to the fact that there are so many properties in this State which are not viable. However, I know that quite a number of the properties which are referred to as "unviable" could become viable if the farmers were given a chance. When the wool price was down to zero, the farmers' wheat quotas did not allow them to grow enough wheat to get them out of trouble. Many of the farmers have not been given the assistance which was expected under the Rural Reconstruction Scheme. If the situation had been studied more closely those concerned would have realised that many of the farmers would have been able to make good had they been given the opportunity.

One of the important factors taken into consideration when a decision regarding assistance under the scheme has to be made is initiative. If a farmer has initiative he has a chance of getting out of trouble. No-one can deny that over the last few years farmers have had to contend with the 1969 drought, poor wool prices, and wheat quotas. Members can realise the effect on farmers on new land.

I was surprised to hear the Minister say that a lot of the trouble was as a result of the farmers not having enough finance and that too much land was allocated in too short a time. Western Australia has progressed because the land has been available and so has been allocated. Nevertheless on practically every occasion when land was to be allocated, eight to 10 applications were made for the one block. I think I have mentioned before that at the last allocation in the Eneabba area 580 applications were received for the 61 blocks available. The presidents of three shires as well as the men from the Mines Department worked for three weeks in order to allocate those blocks.

I went down for a couple of days to listen in because I am on a committee which inquires into land allocation. Having listened to the amount of finance various farmers said they had available, I could not imagine any of their properties failing because of lack of finance. However, it must be remembered that soon after the blocks were allocated we had an exceptionally wet period so that the farmers could not get near their blocks. Then when

they were able to work the land it first had to be cleared. It would be at least three years or longer before the farmers could expect a cash crop.

Then, most of the settlers were not allocated a wheat quota. This applied to farmers in quite a number of the new land areas. It was only after the whole situation was investigated it was decided that 12½ per cent. of the State's allocation would be reserved for new land farmers and only at that stage did they have any hope of getting on their feet.

The finance that many of the new farmers say they have seems to disappear overnight. When making their applications they are able to produce a bank book and so on to indicate that they have the money available. What they have not said is that a father or an uncle has lent them the money so that they can put it in the bank book. This must be the case, because the next day they do not have the money. I suppose this is why, when listening to the proceedings, I realised that the applicants with the most initiative and know-how would be most likely to pull through, even though they had less finance than those without the initiative and know-how.

This applies in all walks of life. If a person does not have the know-how he will not do very well. This is the situation of many of the farmers who took up new land. They did not even develop it. However, the genuine fellow often was not given a chance to develop the new land because he did not have the finance and therefore was not allocated a block, but he is the one who would be likely to pull through because of his initiative. I realised this after following the cases through. It has always been those with the initiative, and perhaps not necessarily much money, who have made good.

The Minister referred to wheat quotas, and although I do not wish to dwell on this matter too long, I have one or two points to raise. I know that an expert committee has studied the matter, but I believe that often the more expert a committee is the less chance it has of reaching a practical solution. This is one of the reasons that although the findings of the committee were submitted to the Government last September, the final formula was not devised until the 23rd April. This is because many anomalies were found in the submission of the committee and the whole matter had to be referred back to the Farmers' Union which eventually was able to sort it out and bring some common sense to bear on it. Despite the new formula, however, many farmers will not know their quota until next October. They must make application for 1972-73 by the 1st August.

Working on the rule of thumb the quota will be approximately 81 per cent. of the base quota this year. Also, there will be

50 per cent. of the shortfall from the 1969 drought year, so the farmers will have some idea of what their quota is. Of course, in drier areas they will be allowed 33 per cent, rotation quota but in the heavier rainfall areas where they receive 20 inches of rain they would have no rotation credit at all. Under the new formula the wetter the area the less chance there is of growing wheat.

Many farmers would not be able to decipher their wheat quota under the new formula, even if the figures were set out in front of them. Those farmers will have to contact the Wheat Quota Committee. I think that by this week the committee might have sorted out the quotas and will be able to tell each farmer just what he will get. As I have said, the quota will be approximately 81 per cent., plus 33 per cent, rotation, plus 50 per cent. of the shortfall from 1969. So it is not easy.

Even though an expert committee has looked into the matter and decided on a new formula, the formula is not in simple language so that each farmer can grasp its significance. I suggest that in future instead of waiting until the 31st October for the announcement of the wheat quotas, every farmer in Western Australia should know his quota by January at the latest. A farmer would then know how much seed to grade and pickle, how much super to buy, and he would be able to budget for expenditure in the coming year.

The Minister did say that bridging finance is now much easier to obtain. Even so, certain conditions are laid down so that a farmer on new land still has difficulty. I remember one family who wanted to get bridging finance. They had only a shed on the farm and were renting a house on the next door property. That family could not get finance because they were not living on the property.

The family reached a desperate stage and decided to erect a couple of rooms at one end of the shed. They shifted in only to find out, in late July, that it was too late to apply for finance. So everyone is not able to obtain bridging finance. I consider that if a person lives in close proximity to his farm he should be able to obtain bridging finance. I intend to support the motion.

Debate adjourned, on motion by The Hon. Clive Griffiths.

## KWINANA-BALGA POWER LINE

### *Dual Route: Motion*

Debate resumed, from the 26th April, on the following motion by The Hon. Clive Griffiths:—

That this House deplores the decision of the Government to adopt a dual route for the 330kV Kwinana-Balga power line resulting in environmental desecration and personal hardship to a greater number of people

than would lines installed along one route. We ask that the Government reconsider the decision after a report is made by the Environmental Protection Authority and that, in any event, they adhere to the clear recommendation of the Metropolitan Regional Planning Authority not to construct the lines through, or near, the Guildford Grammar School.

**THE HON. J. DOLAN** (South-East Metropolitan—Minister for Police) [3.35 p.m.]: In moving this three-part motion, Mr. Clive Griffiths deplored Government action in "splitting the route." The reasons for the two routes being necessary are that if the interconnection were by a single line and a fault developed, the system would become unstable and would shut down—a risk which should not be built into a system.

Duplicate lines avoid the risk of shutdown as the system could withstand a fault on one line; the other being sufficient to carry the load and maintain stability.

Common causes of outages—I will explain that the word "outage" means, "when things go out"—are lightning, bushfires, fouling by mechanical equipment such as cranes and, less frequently, low flying aircraft. While a lightning strike would almost certainly affect both circuits on a single tower line, it is unlikely to cause simultaneous outage of both lines of towers. Proximity is tolerable in some sections not subject to the other risks. Members may recall the recent South Australian blackout, where a single line was involved.

Duplicate lines should be physically separated to avoid risk of simultaneous outage of both lines from the one event. In the lines under consideration the most likely risks are bushfires and low flying aircraft which could cause simultaneous outages, with shutdown of the system as a certain result.

Members of Cabinet, including the Premier, and also the Director of Environmental Protection (Dr. O'Brien) have inspected the routes and the Government has had the benefit of the director's advice.

While Dr. O'Brien recommended the construction of the escarpment route first, to be followed by a second line preferably parallel to the first, this timing and method was not acceptable in the technical sense as one row of towers, even strung on both sides, would only have the electrical equivalent of one line and would lack the necessary security.

It should be appreciated by members that there are important technical and financial basic requirements in such a project which must be observed in the interests of the community in general—even should they conflict with the views and wishes of individuals.

The third part of the motion has reference to the assertion that the Metropolitan Region Planning Authority considered that lines should not be constructed through Guildford Grammar School.

In this connection I am advised that Mr. Clive Griffiths is under some misapprehension. The M.R.P.A. recommended the principle of route "B" on plans E.322 and 323—the foothills route which received such opposition—and drew the commission's and the school's attention to the fact that the decision was not the M.R.P.A.'s. The authority requested the commission—and I quote—"to view favourably that a practicable and alternate route be made in lieu of crossing near Guildford Grammar School—possibly to the east of Midland." There was no strong recommendation and the M.R.P.A. was not in a position to indicate an alternate route.

Nevertheless, the State Electricity Commission made strenuous efforts to find alternatives and continues to do so. The commission was, and is, prepared to compromise and a further amendment to the line is under consideration and will be presented to the shire and to school representatives in conference with the Minister.

The establishment of the final route could, I suggest, be regarded as something intrinsically fluid in its undertaking as it has been developing since 1968 and certainly final implementation necessarily is dependent on the results of surveys which are in course and which will continue, I believe, over a considerable period.

I mentioned that in considering a further northern site the commission is making long-term provision. Even were a decision made now to proceed with erection, six to seven years would elapse before such a project would be a commercial operation; but there are no firm plans for construction. Even so, the planning of the two transmission lines takes into account the possibility of generation on the north side of the metropolitan area and no incompatibility exists.

Such proposals are not made lightly but result from lengthy engineering research and design so I am sure it would not be implied by the honourable member that these matters had not been given the fullest attention by the commission and staff.

I have no doubt that the commission would be pleased to extend to the honourable member the opportunity to hear of the methods used to make computer studies that support the decision to construct such lines.

The commission is well aware of technological progress taking place in the field of undergrounding. Underground supply is not new—the early supply to the City of Perth was by underground cables installed around 1916 and many cables have been

installed since then but it is a far cry to 330,000 volts to be carried by the lines under discussion. There are several installations of 330,000 volt cables in the world today, but none of any great length. It would be technically unsound to install a short length of 330,000 volt cable in the run of an otherwise overhead line, even if it were economically acceptable. The prodigious cost of this type of cable would completely rule out the possibility of using underground cable over any substantial distance.

Yet it is not beyond the bounds of possibility that extra high voltage cable will be developed to the extent that the second line on the foothills route could be constructed in underground cable in 10 to 15 years' time, but at the present moment we have to deal with facts not possibilities.

I oppose the motion.

Debate adjourned, on motion by The Hon. J. Heitman.

*House adjourned at 3.41 p.m.*

## Legislative Council

Tuesday, the 30th May, 1972

The PRESIDENT (The Hon. L. C. Diver) took the Chair at 2.15 p.m., and read prayers.

### BILLS (17): ASSENT

Messages from the Governor received and read notifying assent to the following Bills:—

1. Gas Standards Bill.
2. Gas Undertakings Act Amendment Bill.
3. Justices Act Amendment Bill.
4. Judges' Salaries and Pensions Act Amendment Bill.
5. Public Works Act Amendment Bill.
6. Traffic Act Amendment Bill.
7. Criminal Code Amendment Bill.
8. State Housing Act Amendment Bill.
9. Public Service Act Amendment Bill.
10. Police Act Amendment Bill.
11. Housing Loan Guarantee Act Amendment Bill.
12. Constitution Acts Amendment Bill.
13. Legal Contribution Trust Act Amendment Bill.
14. Pig Industry Compensation Act Amendment Bill.
15. Zoological Gardens Bill.
16. Construction Safety Bill.
17. Transfer of Land Act Amendment Bill.

### QUESTION WITHOUT NOTICE

#### TRAFFIC ACCIDENTS

##### Scarborough Beach Road

The Hon. R. J. L. WILLIAMS, to the Minister for Police:

- (1) How many fatal and nonfatal traffic accidents involving—
  - (a) pedestrians,
  - (b) others,
 have occurred during the last 12 months in Scarborough Beach Road between the Main Street lights and the Innaloo Shopping Centre?
- (2) How many crosswalks are located in this section?
- (3) What is the average density of traffic in Scarborough Beach Road between these points between 4.45 p.m. and 5.15 p.m.?
- (4) What action, if any, has been taken to reduce the number of accidents in this section of Scarborough Beach Road?

The Hon. J. DOLAN replied:

- (1) For the 12 months ended the 1st May, 1972, the following accidents were recorded:—
  - (a) Fatal—Nil.  
Nonfatal—6.
  - (b) Fatal—1.  
Injury—45.  
Vehicle damage only—294.
- (2) One, adjacent to Oswald Street.
- (3) 1,200 vehicles—400 eastbound, 800 westbound.
- (4) The upgrading and improvement of this section of Scarborough Beach Road is the responsibility of the Stirling City Council. The council, with assistance from the Main Roads Department, is planning channelisation treatment at several busy intersections.

### QUESTION ON NOTICE

#### LAND

##### Reserve No. 14163

The Hon. F. R. WHITE, to the Leader of the House:

Further to my questions on Wednesday, the 3rd May, 1972, and Wednesday, the 10th May, 1972, relative to Reserve No. 14163 (Parkerville Lot 336), would the Minister advise—

- (a) why the "vegetation growing on this attractive piece of bushland" is being destroyed by the Main Roads Department as a result of its excavation of gravel;