know that we have passed the motion unanimously—that is, assuming that this will be so—and also that each party in this House should contact the Prime Minister advising him of their feelings on the matter.

At this stage the position has become desperate and I suggest that, in addition, the Premier should take action along the lines indicated by the Leader of the Country Party, because if we lose this trade it will be gone forever, and we will have ships travelling along our coast with nothing in them. The matter is so urgent that I cannot over-emphasise the necessity for taking drastic action urgently.

Question put and passed.

House adjourned at 10.19 p.m.

Legislative Council

Thursday, the 2nd December, 1971

The PRESIDENT (The Hon. L. C. Diver) took the Chair at 11.00 a.m., and read prayers.

QUESTIONS ON NOTICE

Postponement

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the House) [11.04 a.m.]: Mr. President, I ask that questions be postponed until such time as I have the answers to today's questions available. At the moment I do not have any.

The PRESIDENT: Very well.

RIGHTS IN WATER AND IRRIGATION ACT AMENDMENT BILL

Second Reading

Debate resumed from the 30th November.

THE HON. G. C. MacKINNON (Lower West) [11.06 a.m.]: I find this Bill to be acceptable so far as the Opposition is concerned. Doubtless some people who consider certain aspects of the measure will find that it will create some difficulties and, indeed, some inconvenience could follow. There may be argument that it cuts across personal rights on one's own property.

My view is that water is of such paramount importance in this country that these kinds of objections must be gainsaid for the common good. As a whole, Australia is an extremely dry country and Western Australia, which is one-third of the total area of Australia, is without doubt the driest section of the continent. If Western Australia were in the situation of Canada which has far and away more water than any other comparable land space on earth we could, perhaps, be a little more wasteful with our water than we are.

It is a never-ending source of wonder to me that despite the fact everyone knows this in modern days I find little evidence to support the statement that Australians are conscious of conserving water. It is surprising how few people put a plug in a basin when they wish to wash their hands. They simply turn the tap on and wash them under a running tap. Of course this takes much more water than is needed.

Perhaps the most extravagant use of water, in comparison with anywhere else on earth, is in connection with the watering of lawns grown on sandy soil in most towns. Our sandy soils do not retain water very well and daily watering of lawns is virtually a necessity. The bulk of lawns are at the front of houses and people rarely sit on them. They seem to be an exercise only, the object being to make one's lawn better looking than the lawn belonging to the fellow next door. As I have said, I find little evidence to indicate that Western Australians are conscious of water conservation.

So far as payment for water is concerned, some people imagine it ought to be free. Of course, nothing in this life is free. Perhaps we should talk about tax subsidies more often than we do and stop using terms such as free medicine, free water, etc.

The Hon. R. H. C. Stubbs: We receive a great deal of free advice at times.

The Hon. A. F. Griffith: The only trouble is you do not always take it.

The Hon. R. H. C. Stubbs: We weigh it up.

The Hon. G. C. MacKINNON: It is a pity the Government does not take advice which is freely given, because it is well meant and well thought out. However, advice falls on deaf ears all too frequently, but I suppose the same could be said the other way round.

The measure under discussion will extend a provision, which originally applied north of the 26th parallel, to the entire State whereby it will be obligatory for people to give advice when they intend to drill holes. It will also tighten up the control of artesian water. This is understandable and has been desirable for a long period of time.

The principal amendment to the Act is contained in proposed new section 19(1), which reads as follows:—

> The owner or occupier of land shall, within one month after completing the construction of or the deepening

of any non-artesian well on the land, furnish, in the prescribed form, to the Minister or to such other person as the Minister may direct such information in respect of the well as is prescribed.

When the Minister introduced the Bill he explained it would afford us a tremendous amount of information as to the strata of the country, the availability of water, and so on. This will be of great value.

I would like to direct a query to the Leader of the House in the hope he may be able to obtain the information to provide an answer. There are two methods of drilling for water; one of which is by percussion or cable drill. The percussion drill jumps up and down and drills the hole. The bit on the bottom is so shaped that it cuts a hole slightly larger than itself. In this type of rig the lining is generally steel casing which is dropped down as the hole proceeds. The percussion bit goes down lower and lower and the casing gradually follows. That is the method of lining a hole where a percussion or cable rig drilling outfit is used. There are a number of these outfits in the State.

The other means of drilling is to use a rotary drill. This is the sort of drill used in the big oil rigs. The drill spins constantly and has to be cooled if it goes down to any depth. The hole has to be maintained under pressure and I think members who have visited oil rigs will have seen the mud which is pumped down to take the heat from the drill face and keep the pressure on the hole. If this type of hole is cased it is generally pressure concreted. The drill is withdrawn and a central core put down and it is concreted around the edge.

Now a number of cable drillers have been told by somebody—it is always this ubiquitous somebody who starts the rumours—that at some time in the future the Public Works Department will insist on the latter type of lining for drill holes—that is, the cement type which cannot be used in connection with a percussion rig. If regulations were tabled to this effect, I feel most members in all fairness would give support to a move to disallow them. Many members here are very interested in projects concerning drilling for water. However, as the Bill now stands the regulations need only be tabled in the House in the same way as other regulations. It was suggested in another place that this should be further amended in line with the Metropolitan Region Town Planning Scheme Act, sections 32 (1) (b) and 32(2), which provide that the regulations or instructions must be tabled. The regulations do not take the force of law until they have lain on the table of the House for 14 days. The proposed amendment to the Act would bring this into line with other regulations. The regulation must be gazetted to take the force of law and must be tabled in the House within so many sitting days and within 14 sitting days a motion can be moved to disallow the regulations.

If this rumour has any substance, it could virtually put the percussion riggers out of business, except for very shallow holes. I would like the Minister's assurance that this will not happen. I will be quite happy to accept the Minister's assurance. If he cannot give this assurance, it would be advisable to move an amendment to the effect that section 36 of the Interpretation Act applies as is now the case. This would provide that a proclamation shall not take effect and have the force of law until the expiration of the last day upon which it might have been disallowed.

It would save time if the Minister could give us this assurance. I have no doubt he can obtain the information in a few minutes. I am aware that these rumours frequently commence with very little foundation. I hope the Minister can understand the concern of the people using ordinary percussion-type drills.

The Hon. W. F. Willesee: It would help me if you would give me a photostat of your speech. I will send it down to be checked.

The Hon. G. C. MacKINNON: I will do as the Leader of the House has suggested.

Apart from that exception the Bill is acceptable. We need more knowledge about the sources of water for emergency situations. After the experience of the last few years we realise how much we would have gained had this information been available. Many farmers in difficult circumstances could have been helped sooner. Of course, we would have saved money too, and this is of importance to the taxpayer.

I do not believe the work involved will add a tremendous load financially or otherwise on the people who are drilling. Therefore, I support the Bill with the reservations I have enunciated.

THE HON. L. A. LOGAN (Upper West) [11.18 a.m.]: If members would like to scan *Hansard*, they will find that about 18 or 19 years ago in this Chamber I suggested that the results of every well or bore sunk in Western Australia should be collected and sent to one department.

The Hon. G. C. MacKinnon: It is a pity it was not instituted then.

The Hon. L. A. LOGAN: Yes, it is a pity because we would be so much wiser at this stage. There is very little knowledge of this type yet available. However, attempts are being made to rectify the situation.

I accept the principle of the Bill, but I feel we should look at one or two matters. The amendment to section 13 reads as follows:—

> Section 13 of the principal Act is amended by substituting for the words "or marsh"—
>
> (a) in line nine of subsection (1); and
>
> (b) in line nine of subsection (2),
>
> the passage ", marsh or subterranean water source".

I cannot find a definition in the Act of a subterranean water source. This amendment should be looked at.

I am not very enamoured of the final clause which proposes to amend section 65. Section 65 reads as follows:—

> The Minister may authorise any officer of his department, and a Board may authorise any member or officer of the Board, to do any of the acts, matters, or things which the Minister or the Board, respectively, is by or under this Act authorised or required to do.

This, in effect, will give power to an office boy in any department in the State to take action, and I think it is going too far. At this stage I am not sure whether I will move an amendment in Committee for the deletion of that clause. I will await some clarification from the Minister as to how it will operate.

The Hon. G. W. Berry: The provision does not state who shall be responsible.

The Hon. L. A. LOGAN: Under this Bill any office boy in any other department could operate. I do not think that would happen, but there is that possibility.

The Hon. W. F. Willesee: That is very unlikely.

The Hon. L. A. LOGAN: I agree, but there are many departments in the State and each and every one of them will have some power and authority under this legislation and we could get into a mess. Surely one department could handle the administration and not hand authority over to every other department. One of the reasons for the provision may be that because this Bill will now cover the State as a whole or any area proclaimed by the Governor the department administering this legislation may not have a suitable officer and request that an officer from another department act on its behalf. Should that be the position it may be all right up to a point, but we should not give such power to every department.

In general, I agree with the principles in the Bill. However, I would like some clarification on the two points I have raised; that is, the apparent lack of a definition in the Bill of a subterranean water source, and also that the other clause to which I made reference seems to be far too wide. Apart from that I support the second reading.

Debate adjourned until a later stage of the sitting, on motion by The Hon. R. Thompson.

(Continued on page 708)

PRISONS ACT AMENDMENT BILL

Returned

Bill retured from the Assembly without amendment.

SALES BY AUCTION ACT AMENDMENT BILL

Second Reading

THE HON. J. M. THOMSON (South) [11.23 a.m.]: I move—

> That the Bill be now read a second time.

The circumstances necessitating the presentation of this Bill to the House today are entirely different from those which induced the late Hon. A. F. Watts to introduce a private member's Bill in 1937 which was passed by Parliament and assented to in January of the following year. The purpose of that Bill was to tighten the law to discourage the practice of "lot splitting" or "tossing" at sales of livestock and farm produce which apparently was being indulged in by buyers of stock at auction sales.

The practice of "lot splitting" or "tossing" was a matter of prior arrangement made by a group of buyers for the purpose of depressing the price of stock at auction for their own personal financial gain, thus defrauding the produce vendor by considerably lessening the true value of his stock or produce at the sale.

The purpose of the Bill introduced in 1937—which is the same as the purpose contained in the Bill I am introducing today—was an endeavour to provide protection, as far as it was lawfully possible, to the vendors of stock at auction against unfair and dishonest practices that have been evident over a number of years, but which have been somewhat difficult to substantiate in a court of law. Such practices resulted in the vendor being deprived of a margin of profit in the sale price which the final buyer would have been prepared to pay the original vendor for his stock; that is, if an original purchase had been made.

Both these parties were cheated by the "in-between personnel" who operated for their own personal financial gain at the expense of the original vendor and the ultimate purchaser, the vendee.

The Bill contains eight amendments and a small schedule. Four of these amendments seek to increase the penalties that can be imposed on offenders who indulge in deceitful practices for unlawful gain. There are three new clauses designed

to discourage those closely associated with the sales of cattle by auction entering into collusion with others to buy and sell stock to the financial disadvantage of the original vendor and the ultimate vendee.

Finally, it will be mandatory upon the auctioneer or his clerk at the sale to complete the detailed schedule which is set out at the end of the Bill. I now wish to explain the cricumstances which ultimately led up to the full disclosure of these practices. By arrangement with an auctioneer, his employee and another person who could be a buyer representing a firm or a group of people, a person would buy stock at an auction allegedly in the name of his firm or group at a certain figure. He would then have the sale or purchase price entered in the auctioneer's notebook or sales record book in the name of his firm or the group he was representing. Then, by arrangement with the auctioneer, he would have the firm's name changed to a fictitious name or a fictitious company name—which, in fact, was himself in association with one or two other persons.

Subsequently, by arrangement with the auctioneer he would sell the stock to the original vendee against whose name it had originally been entered in the sales notebook, but at a higher price than that which was first recorded. In following this practice he would make a handy profit for himself which he would later share with the auctioneer, and possibly with the auctioneer's employee. This, of course, was done at the expense of the original owner of the stock and also at the expense of the ultimate purchaser. In fact, it was disclosed that the stock in this particular instance were never in the pens detailed in the sales notebook. This was admitted when questions were asked about the situation.

What transpired was that the auctioneer instructed his clerk at the sale yard to alter the name written in the sales notebook. This was the name of a certain meat exporting company under which name the buyer was acting for his own personal financial gain.

I can cite another instance, extending over three cattle sales, which took place at a country centre. It was alleged that 88 head of cattle were sold under arrangements similar to those I have just mentioned.

The price of these cattle I am told was $9,201, and it was admitted in evidence that none of the cattle was ever at the saleyards. It was also admitted that the driver engaged to pick up the cattle from a certain property where they had been grazing for some time, transported them to the company's works, which was entered in the books, and that the transportation was carried out during the evening of the days on which the sales were held. However, they were alleged to have been sold in the saleyard by auction. The vendor paid the yarding fees, but the cattle were never in the yards.

The amount of money involved was a matter of peanuts to this ring when it attended other cattle sales, called low bids, bought in fair numbers, and later quit the stock by agreement with the auctioneers for personal gain which has been a considerable amount over the years this practice has been adopted.

It is quite obvious to all who peruse the Act of 1937 that it needs amendment to bring it up to date in order to make it far more effective and efficient, and it is for this reason I have submitted the Bill to the House for its consideration.

The Bill requires auctioneers to keep a record of cattle sold by auction and provides that they cannot purchase cattle on their own behalf without first obtaining the written consent of the principal concerned. The record book must be available and the schedule to the Bill provides full details concerning the record book to be kept.

I had an opportunity to peruse some of the note books which were similar to those bought from any local stationers and used by the auctioneers at sales, and I discovered that the details were easily rewritten which was, of course, what was occurring and those concerned were defrauded of their rightful price under the arrangements I have outlined.

It was very difficult for the police because they had no authority to obtain the books, but ultimately when the balloon blew up they were able to commandeer the books from the premises of the stock firms to gain the evidence they required, and the evidence, of course, proved conclusively that collusion had existed between the auctioneer, the clerk, and the person to whom I have referred. As I have said, the sheep were never in the pen, but this was contrary to what had been entered in the book.

The original price was entered in the book but the auctioneer had instructed his clerk to alter the name, which was the meat exporting company, to the name of the grazing company which I understand did not actually exist in the company register. It was merely a name, but a very convenient one in this deceitful practice.

The profit made by the person at the sale at, I think, Katanning, was $180 which was ultimately, of course, shared with those who had helped him obtain it. When questioned on another occasion the auctioneer had to admit that although his book indicated that the particular grazing company had sheep for sale, no sheep were, in fact, available. On another occasion he had to admit in evidence when questioned

that no sale took place between the buyer who was representing his firm and the meat exporting company.

I think I have said sufficient to indicate that the necessity does exist to improve and update the legislation. It contains only small penalties. I think the penalty for a first offence is £10, or $20, and £25, or $50, for a second offence and a month's imprisonment for the offence to which I have referred. No doubt in those days £10 would have been a considerable amount to pay for a small offence, but on today's values the penalties I have included in the Bill cover the situation more adequately and should act as a deterrent.

I admit that at times it would be difficult for the legislation to be policed, but I envisage that plain-clothes officers from the Police Department or the C.I.B. could be quietly sitting on the fence with other interested spectators and buyers taking note of what occurs. At the conclusion of the sale they could approach the auctioneer and his clerk, produce their authority, and ask for permission to investigate their proceedings. Up to date this has not been possible and this is why the police authorities have found the situation difficult.

I trust the facts I have submitted, which can be substantiated, are sufficient to indicate to members that the presentation of this Bill is warranted and I trust it will receive their support.

Debate adjourned, on motion by The Hon. R. Thompson.

RAILWAY STANDARDISATION AGREEMENT ACT AMENDMENT BILL

Second Reading

Debate resumed from the 30th November.

THE HON. G. C. MacKINNON (Lower West) [11.40 a.m.]: It is not my intention to spend a great deal of time on this measure, nor do I propose to go over its entire history. Suffice it to say that the Bill reconstitutes an agreement which enables us to get $2,200,000 out of the Commonwealth Government and this, I think, is highly desirable.

I support the Bill.

THE. HON. J. DOLAN (South-East Metropolitan—Minister for Railways) [11.41 a.m.]: I thank Mr. MacKinnon for his support of the Bill and I commend the measure 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 Railways), and passed.

MILK ACT AMENDMENT BILL

Second Reading

Debate resumed from the 24th November.

THE HON. N. McNEILL (Lower West) [11.44 a.m.]: The Milk Act as presently worded provides an opportunity for the administrative authority to limit the number of treatment plant licenses which may be held by any licensee.

This has been a subject of some debate and discussion over a long period of years; indeed the last time the matter was debated in this House was in 1963 when a Bill was introduced by Mr. Logan on behalf of the Minister for Agriculture, to provide for an extension of this limit to enable a greater number of licenses to be held by any particular treatment plant.

On that occasion the intention was to enable the granting of a license to the Albany area for the receival of whole milk. That, in fact, was quite a significant step because not only did it create a certain situation as it related to the whole-milk industry in the Albany area, but the matter has since never been satisfactorily solved. Indeed to this day, as I am sure Mr. Jack Thomson and others will know, there is continued disquiet over the operation of the Milk Act; though not necessarily in relation to this particular section. It arose as a consequence of the extension of the particular provisions of the Act.

The Hon. J. M. Thomson: That is very true.

The Hon. N. McNEILL: As a result of the 1963 amendment the proportion of licenses which could be held by a licensee could not exceed 25 per cent; the figure has now been increased to 40 per cent. Mr. Logan will probably recall that at the time he also indicated to the House that there was a great deal of difficulty in trying to define the proportion of the total number of licenses which should, in fact, be available to any particular licensee. He further indicated that in the future there may well arise a necessity to bring further amendments to the House—and I do place some emphasis on the words, "to bring further amendments to the House."

Incidentally I would point out that these are my words, not necessarily those used by Mr. Logan at the time. As I said I place some emphasis on them because the whole purpose of this section as we understood the position from the beginning, was to prevent the possible development of a system of monopolies in the treatment section of the whole-milk industry.

No doubt that is still the purpose of the provision and accordingly it is felt there need to be safeguards and protective clauses within the measure to prevent a system of monopolies developing within our whole-milk industry.

The House will be aware that in the amendment now proposed it is indicated that the number of licenses, or the proportion of the total number of licenses which shall be available to any particular licensee, shall be that which shall be prescribed.

This is why I indicated that I placed some emphasis on the necessity to bring the amendments to the House; because it will be clear that in the future if it is necessary for a change in this system; the matter will not of necessity be brought before the House for the purpose of debate. In other words an amending Bill will not need to be introduced. In future any changes that may be required as circumstances at the time dictate shall be decided and promulgated by regulation. As such, of course, these will be placed on the Table of the House in which event there will be an opportunity if members in this Chamber so desire to move amendments, or to move for the disallowance of such regulations.

The important consideration is, however, that when that course of action is followed this House, or Parliament, does not necessarily have an opportunity to invalidate any Executive action which might have been taken from the time such regulation was gazetted, and up till the time at which any move may be made in the House for the disallowance of the regulation.

To put the matter simply, although it will be clear to members that once a regulation is gazetted it has the force of law, it is possible the House may not be sitting at the time—indeed it might not sit for some months following the gazettal of the notice.

The gazettal of the regulation could not therefore be disallowed until the House next met by which time of course Executive action would have been taken; and I repeat that Parliament does not necessarily have the capacity to invalidate such action as might have been taken.

Accordingly it will be left to the administering authority—it will be left to the Government of the day, virtually—to prescribe whatever proportion of licenses shall be deemed necessary no matter what the circumstances at the time might be.

There is some risk in this, bearing in mind that the original intention was to preserve the *status quo* and provide protection against the possible development of a state of monopoly. That is the explanation of the clause.

I just add one further point on that aspect. It could well be borne in mind that as a result of the passing of this amendment Western Australia will be virtually left with only two companies operating in the treatment of whole milk. They will be the amalgamated company arising out of this amendment and a well-established and reputable company which has played a very important part in the dairying industry in Western Australia. One of these companies is, in part, a co-operative company and the other is a public company. Take-over opportunities could well arise at some time in the future. It would therefore be necessary for the Government at the time to ensure the existence of both of these companies, particularly the public company which would be in the greatest danger in such circumstances. The Government would need to be on its guard to ensure there would not be any exercise of power whereby this amending Bill would be put into operation to allow such a take-over to occur. I would like to issue that word of warning.

From a bare reading of the Minister's speech when introducing this Bill—highly impersonalised, as it was—one could well imagine that the reason for this exercise is to facilitate the provision of "greater rationalisation in the industry." I believe the real reason for this amendment is that one company has been forced into such a situation that this merger arrangement is the only avenue for preventing the complete collapse of the company. In other words, the State is virtually losing an identity. The company was one of the great pioneering plants in Western Australia. This is a matter for great regret on the part of the dairy farmers and the State.

That is the real reason for the amendment. One company virtually has to go to the wall, and in order to carry out the merger it is necessary to amend the Act because in the merging of the two companies there will be a combination of all the treatment licenses to enable the one large company to operate with the same number of licenses. This amendment is not a move to provide for rationalisation. Rationalisation may well occur but that is not the chief purpose of the amendment.

I would like to go a little deeper into the reasons for this company—Sunny West Dairy Farmers Co-operative—finding itself in this difficulty. This might sound to some members like an extravagant statement but I firmly believe the situation has partly been brought about as a result of the exercise of statutory control of the dairying industry and also, to a certain extent, as a result of the rigidity of the controls which are exercised in this form of administration.

Members will be well aware that over the years I have been in this House I have made a point each year of seeking information on the operations of the dairying industry, the production, manufacture, and

treatment of milk and milk products, exports, and so on. Of course, I asked a similar bracket of questions this year. I would like to refer to them.

In *Hansard* No. 9 of 1971, on pages 1277 and 1278, I asked questions in relation to the production of butter, manufacturing milk, and other dairying products in Western Australia, and the quantities of those same products which were imported into and exported from Western Australia in the years 1969-70 and 1970-71. The quantity of butter produced in Western Australia in 1969-70 was 5,809 tons, and in 1970-71 it was 5,034 tons. The figures for manufacturing milk produced are 31,200,000 gallons in 1969-70 and 29,300,000 gallons in 1970-71—once again, a reduction. The figures for butter imported into Western Australia are 3,394 tons in 1969-70 and 3,801 tons in 1970-71.

I could go on to quote some of the other statistics but I think those figures will illustrate the point I am making. We hear so often about the export opportunities in relation to dairy products, but exports of butter from Western Australia in 1969-70 amounted to 208 tons—an infinitesimal quantity made up of ships' stores, and so on. In terms of money, the value of all dairy products imported into Western Australia in 1969-70 was $8,895,000. The figures for 1970-71 were not available at the time I asked the question.

In my view, it is remarkable that a pioneering diary company which has established a clientele of suppliers in the south-west of Western Australia should find itself in great difficulty, one of the reasons for which—apart from those I have already mentioned—is the low throughput of products in its treatment plants. Yet last year, according to the figures I have quoted, this State imported almost $9,000,000-worth of the dairy products that this company could well have provided from its own resources in this State.

This is one of the reasons why I believe the exercise of statutory control is partly to blame—if that is the right word—for the development of this situation. I could go a step further. This company operates not only in the manufacturing field but also in the supply of whole milk to the metropolitan area. It has been argued by the company over a period of years—and Mr. Clive Griffiths and other members would have some knowledge of this—that it has not received good treatment at the hands of another statutory body which exercises administration over the whole-milk industry.

In other words, it has claimed that it has not been given a fair deal in the allocation of licenses for the supply of whole milk in the metropolitan area. All these things combine; and I do not necessarily wish to substantiate that claim. All I am saying is that this is an argument the company has used in the past. The company has certainly made complaints about it and one must therefore give some credence to the fact that this has partly contributed to the situation in which the company finds itself.

I would like to say that there must be a lesson in this whole exercise for those who continually advocate complete statutory control, with the inflexibility which so often seems to exist.

I would like to make one further point in regard to the reasons that the company has found itself in this situation. One of the reasons is that, as a co-operative concern, the company has been able to finance its own way throughout its years in the dairying industry—and the dairying industry has always had a battle in Western Australia, although it has also experienced measures of success. The company has had sufficient finance available at least to maintain a reasonable position; but in latter years, during which the economic situation has affected more and more the dairying as well as other industries, the company has had a need for greater finance and for greater capital and, of course, it has had no source of money available to it.

Co-operative enterprises face a difficulty in this connection which is not necessarily faced by private concerns which have other forms of financial backing, or by public companies which can raise capital by share issues and so on. A co-operative concern does not have that sort of finance available to it. Therefore, in these days, with the drift in the economic trend, the company has been forced to follow the line of least resistance if it cannot obtain the necessary finance. The company could merge only with another company which had a greater amount of finance and capital available to it. The only company available was Masters Dairy Ltd., which is a subsidiary of Westralian Farmers. It is also a very enterprising company and it has the means to inject into the Sunny West company the necessary finance and the means of greater sophistication and expansion.

As I see it, this is the background to the whole situation. The Minister claimed there would be a greater degree of rationalisation as a result of this measure, and I would like to examine one or two of the statements he made and perhaps to express a query as to the words he used. I refer firstly to that part of his speech in which the Minister said—

> The merger is regarded as being in the best interests of the dairying industry as it will allow a desirable rationalisation of milk collection and treatment operations in some areas.

I am sometimes most wary of the use of such superlatives as "this is in the best interests . . ." I believe that is arguable.

We are reducing the number of companies in competition in the dairying areas; but is that necessarily always good? I am not sure that it is and I would like to be able to refer to the authority which considers that it is in the best interests of the industry.

I certainly agree with the view regarding the rationalisation of milk collection and treatment operations; but I do not necessarily hold—in the absence of proof—that it is necessarily in the best interests of the dairying industry. It would seem to me that this is a rather backhanded way of saying, "I am terribly sorry you are going out of the industry, but it is for the best in the long run." In other words, we are saying, "The industry will benefit by your company going to the wall."

The Hon. J. Dolan: I do not think the Minister implied that.

The Hon. N. McNEILL: I believe that the Minister would not necessarily intend that to be the case, but it is an interpretation which could be placed upon his remarks.

The Minister also said—

> Increasing costs within the milk treatment industry are best countered by attaining lower transport mileages per gallon of milk collected and a larger throughput at treatment plants.

I partly agree with that comment. I believe one of the reasons that the company has gone to the wall is the reduced throughput in recent years which has greatly affected its economy.

I would like to refer quickly to the fact that in Victoria the situation works in reverse. That State has throughputs so great that it is practising economies on a large scale. It has often been quoted that there is one treatment plant in Victoria which handles the equivalent of the entire throughput of all the plants in Western Australia. A situation such as that makes a great difference to the economics of the industry. The point I am trying to make is in regard to the statement that increasing costs are best countered by attaining lower transport mileages per gallon of milk collected. The words, "best countered" seem to me to mean that no other method could be better. I think that is arguable.

We could go back to the point I made about the exercise of statutory control. We have the Milk Board operating in some of these areas, and we also have the operation of quotas. I will not go into quotas at this stage; I assume that members are aware of the situation. The fact is that as a result of the activity of the Milk Board—and I do not disagree with this—the milk area, which is the area from which whole milk is drawn, is being extended and buyers' licenses are being granted over a wider and wider field. If the statement of the Minister is to be taken literally we should be prepared to examine the situation. Could it not be the case that we should not extend the area from which whole milk is drawn but, in fact, concentrate it?

I believe in terms of economics this is an important point because we have established dairy-milk areas extending from Pinjarra southwards to include the Dardanup area and the irrigation areas—areas which require high capital geared to a moderately high cost. Those areas are geared to the supply of whole milk. They have the capacity to supply a much greater amount of milk than they are presently supplying. It is possible to graze many more animals and to produce much more milk with the use of far bigger dairying units. But those areas are not given the opportunity to do that simply as a result of the exercise of the powers of the Milk Board. The alternative is that the areas are being extended. So this question of lower transport mileages per gallon is being further aggravated at the present time by the actions of the Milk Board.

I say this in relation to the words that have been used in explanation of the Bill. I am not necessarily saying such actions should not take place; but if they do take place the people should be made aware of the consequences. I hope I have made my intention clear.

If we are—as we should be—completely and absolutely concerned with rising costs and with the difficulties of finding markets, we should not as a result of administrative control further embarrass this cost situation. It may well be argued that this has little to do with the amending Bill before us. I believe it has a great deal to do with it, because now, eight years after the last amendment was made to the Act, we are asked to change the provision for the allocation and the holding of licenses. It could be that in five to 10 years' time further action needs to be taken to change the licenses, and the reason for the change may well arise from the sort of circumstances I have tried to explain in my speech. Once such a situation has arisen it is too late to do anything about it; and we might find that we have lost another of our great companies.

One does not necessarily wish to cosset in any shape or form the companies operating here, and I hope they will thrive on competition, which seems to be necessary for their survival as economic enterprises, but in the exercise of competition we would like to feel that we can safeguard their existence in the future.

I have the greatest respect for firms like Wesfarmers and Masters. The last-mentioned is a very good company, and its milk-handling section has done a first-class job in serving the industry on both the local and the overseas markets. There is another company in Western Australia,

Peters Creameries (W.A.) Pty. Ltd., and it is in our interests to ensure its continued existence in the future.

Although the Bill is a small one, nevertheless it is important. Members should take note of what is happening so that they are aware of the circumstances, bearing in mind that in the past there has been much talk in respect of the same sort of amendment which produces opportunities for tendencies towards monopolisation. This is not the sort of move we should support.

I express no opposition to the Bill; I think it is not undesirable; but by the same token I believe that as it is before us all the circumstances affecting the industry must be considered before we readily accept changes of this nature. I support the Bill.

THE HON. G. C. MacKINNON (Lower West) [12.14 p.m.]: Mr. McNeill has set out all the reasons in his careful analysis of the Bill, and I have no intention of going over them again. Suffice it to say I support the measure.

I thought I would add to this debate, partly in an effort to inform Mr. Clive Griffiths that I endorse some comments which he made in the last session, but I also contradict others. He need not be alarmed, because one particular comment he made concerned different stands which different members take under different circumstances.

I will quote from a debate which is recorded in the 1963 *Hansard*. On page 3534 the present Premier, who at the time was the Deputy Leader of the Opposition, had this to say in respect of a similar amending Bill—

> The Minister's proposal in this Bill will allow the number of firms holding treatment licenses to be reduced from four to three, and he intimated that, at some future time, it may be necessary to give further attention to that number. I suppose he meant that there was a possibility of reducing the number from three to two; and then, God help the consumer! Why is it necessary to allow this industry to tend in the direction of monopoly? I am surprised the Country Party members are falling for this, because it is just as much in their interests to ensure that there is keen competition—that is, in the interests of the dairymen—as it is to ensure that there is keen competition in the interests of the consumers.

He was trying to get the Country Party members worked up.

On page 3537 the present Deputy Premier (Mr. Graham) is recorded as having said in the 1963 debate—

> I share the concern of the Deputy Leader of the Opposition at the prospect of the number of milk treatment plants falling below the statutory requirement which exists at the present time. That is a trend which should be avoided. Instead of the Government assisting that trend, with the amendment in the Bill, it should be seeking to take steps to move in the opposite direction, if anything.

What the member for Fremantle (Mr. Fletcher) said in that debate appears on page 3541—

> I only wish to speak for five minutes on this Bill and to point out what could happen as a consequence of a monopoly in regard to one commodity. I also speak in an endeavour to protect the consuming public from what could be the creation of such a monopoly. Reducing the number of treatment plants to four does bring closer such an inevitable result.

To show it does not always apply I refer to what appears on page 3607 of the 1963 *Hansard*—

> In effect, this will allow each company to have another treatment plant. In my opinion, the only adequate solution to this problem would be the complete withdrawal of the section in the Act governing the number of licenses which any one company is allowed to hold.
>
> This industry is now very tightly controlled. The price paid to the producer, the various margins allowed, and the issue of licenses to treatment plant operators all come under the jurisdiction of the Milk Board; and, over the years, it has proved it can exercise this control with firmness and with discretion.

That is a quotation from the speech I made on the debate on the Bill of 1963, and I still hold the same views.

I would point out that Sunny West has a big establishment in my home town of Bunbury, as has Peters Creameries (W.A.) Pty. Ltd. They operate in a large way down there.

For the same reasons as enunciated by Mr. McNeill, I support the Bill. In view of the comments made by Mr. Clive Griffiths he might find the few extracts I have quoted to be of some interest.

THE HON. J. DOLAN (South-East Metropolitan—Minister for Police) [12.19 p.m.]: I thank Mr. McNeill and Mr. MacKinnon for their contributions. Some of the comments of Mr. McNeill should serve as a warning to Ministers and others to be careful of words they use, particularly the use of superlatives.

Mr. McNeill made reference to the word "best" on a couple of occasions, and I agree with him. When the term "the best

solution" is used it implies a perfect solution has been arrived at. In using that expression I do not think the Minister has that idea at all or intends that a perfect solution has been arrived at. I suppose if we did arrive at a perfect solution the need to elect Governments would not arise, because a perfect stage would be reached.

The Hon. N. McNeill: You will appreciate that the use of such words can be misleading, because the industry looks for authority for the making of this sort of statement.

The Hon. J. DOLAN: Yes. I appreciate everything Mr. McNeill has said because on this particular topic I would class him as the authority in the House. Consequently, I have listened with great interest.

An important point of which I think all members should take particular notice is the fact that we import $9,000,000-worth of dairy products into this State every year. That is the situation and it is a problem which we should try to overcome in the future. There is scope for the advancement of the industry which could eventually cut a big slice off the $9,000,000 spent on imports, and direct that money into our production in this State.

The Hon. G. C. MacKinnon: No wonder the Eastern States want to keep us in the federation.

The Hon. J. DOLAN: That is probable. I assure Mr. McNeill and Mr. MacKinnon that similar arguments have been pointed out to Mr. H. D. Evans in another place. I can assure members that he will give the matters his utmost consideration.

Mr. MacKinnon referred to the views expressed by the Opposition members in 1963 concerning monopolies, and those views probably still hold today. Mr. McNeill has warned us of the dangers associated with monopolies. In view of the comments made in another place I am sure everybody appreciates the wonderful work done within the industry by the company which has got into difficulties. It is to be regretted that circumstances have arisen which have made the takeover of the company necessary. That is always regretted.

The Minister may have implied that it was bad luck the company got into difficulties and that rationalisation was the best thing. However, I do not want to be involved in a long explanation. I will bring to the notice of the Minister the comments which have been made in this House and I will ask him to look at them. Perhaps what has been said might be of value in the future. With those remarks I commend the second reading of the Bill.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (The Hon. J. M. Thomson) in the Chair; The Hon. J. Dolan (Minister for Police) in charge of the Bill.

Clause 1 put and passed.

Clause 2: Section 30 amended—

The Hon. N. McNEILL: In view of the Minister's reply, and the interjection by Mr. MacKinnon, I would like to say that one of the reasons for the situation which has arisen is that we are importing such a vast quantity of dairy products. It has not been economic for our companies to provide that same quantity. The answer is in the exercising of equalisation of dairy products which equalises the domestic and export prices; and also, the exercising of the provisions of the dairy industry subsidy scheme. It is in the operation of those two features of the industry that circumstances arise which give an opportunity for the present situation. There needs to be a rethinking of the operation of equalisation, and in the provision of the subsidy. Perhaps greater thought should be given to the use of the subsidy in relation to our own domestic requirements. Western Australia exported 208 tons of butter as against importing 3,000 tons.

We should not necessarily just create business for the Eastern States. It is all very well to have this totally Australian attitude but the fact is our dairy farmers and companies are going out of business, and the business is uneconomic to that extent. Our industry would be much more economic if the equalisation system were changed to allow companies to produce at least our own needs in Western Australia.

Clause put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

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

MOTOR VEHICLE (THIRD PARTY INSURANCE) ACT AMENDMENT BILL

Returned

Bill returned from the Assembly without amendment.

STATE FORESTS

Revocation of Dedication: Assembly's Resolution

Message from the Assembly received and read requesting the Council's concurrence in the following resolution:—

> That the proposal for the partial revocation of State Forests Nos. 21, 27, 49, 58 and 65 laid on the Table of

the Legislative Assembly by command of His Excellency the Governor on the 19th November, 1971, be carried out.

CEMENT WORKS (COCKBURN CEMENT LIMITED) AGREEMENT BILL

Second Reading

Debate resumed from the 1st December.

THE HON. A. F. GRIFFITH (North Metropolitan—Leader of the Opposition) [12.30 p.m.]: I support the measure and I can see no purpose at all in making a long address in support of the second reading.

As the Minister told us when he introduced the measure, it ratifies an agreement made between the company and the Government—an agreement which was, in fact, made by the previous Government.

I repeat that there is no purpose in going through the terms of the agreement which have been adequately explained by the Minister. I satisfy myself with offering support to the second reading.

THE HON. G. C. MacKINNON (Lower West) [12.31 p.m.]: The Minister will recall that during his second reading speech I asked him whether this matter had been referred to the Fisheries Department. I did this for a specific reason. For a considerable number of months the present Government has been chiding the Opposition over the fact that it did not promulgate the environmental protection legislation which was passed last year. The Government took this attitude as if this were the only piece of legislation to protect the environment which exists in this State. I notice the Premier has finally realised a few other departments have an interest in this and, so far as Cockburn Sound is concerned, the obvious department is the Fisheries Department. Members who were present a few years ago will recall this matter was discussed in the House in connection with a proposal to undertake some research into prawns, as Cockburn Sound is of tremendous scientific interest in this regard.

With the avowed interest in environmental protection and ecology that exists at the moment I was quite amazed to realise the Fisheries Department is not mentioned, because pollution and other factors connected with the waters in our State are specifically mentioned in the Fisheries Act. Of course, the excellent research officers employed by the Fisheries Department could have given some advice to the Government in this regard.

I have no wish to hold up the passage of the legislation because, as Mr. Griffith mentioned, the agreement was started by our Government. As a matter of fact, it was entered into many years ago at a time when the present interest in environmental matters was not apparent.

As I have said I was somewhat surprised to find the Fisheries Department is not specifically mentioned in the Minister's speech notes. Of all interested departments I would think the Fisheries Department would be the one most vitally interested. As I have said, it may have given the Government advice, but nonetheless it should have been specifically mentioned if the tremendous interest avowed has any substance at all and is not lip service.

THE HON. R. THOMPSON (South Metropolitan) [12.33 p.m.]: I support the measure which is now under discussion. I speak from the point of view of personal involvement, because at the time the previous Government drew up the agreement with the company it did not refer the development project to the local authority. Needless to say, the local authority was extremely upset. If there is any reason for Mr. MacKinnon to show any concern at all it should have been over the actions of the previous Government and not of the present Government.

As I have said, the local authority was completely left out of discussions which the previous Government had with the company. Development was to take place on Commonwealth property and dredging was in an area for which the Fremantle Port Authority is responsible. So far as the establishment of a washing plant was concerned, pipes were to be laid for some 3½ to four miles through which material would be pumped from the washing plant to the Cockburn cement works. Despite this fact, as I have said, the local authority was completely left out of the discussions. In the end the General Manager of Cockburn Cement Limited, the Cockburn Shire President, and officers of the Cockburn Shire Town Council, together with myself, had a round-table conference to talk over the project. I admit the company complied with the requests made.

It is not appropriate to say the Fisheries Department has not been requested for information. The agreement was virtually signed and sealed long before Labor became the Government. As a matter of fact we had only just come into office when construction of the washing plant was started.

The Hon. G. C. MacKinnon: Both Mr. Griffith and I have already said that.

The Hon. R. THOMPSON: A bore has been put down to service the washing plant at Woodman Point. This will supply many millions of gallons of water a day. Benefit will be twofold. However, I was not particularly happy to see this development at Woodman Point because like most other people I want to see Woodman Point a recreation area and playground for which it is ideally suited.

The company is adopting a sensible attitude so far as Woodman Point is concerned. At the present time it is closed

to the general public on week days and open only at weekends. The agreement with the Port Authority and Commonwealth departments means that the company shall construct another fence approximately eight-foot high. I do not know why another fence is needed because two exist already. However, when this additional fence is constructed there will be general access to Woodman Point for seven days a week. This is a good thing.

The company is co-operating in another respect, too. People at Woodman Point with small craft cannot get their boats out at low tide. The company has offered to assist the shire by using its dredges to provide another channel. This is not mentioned on the plan, but it is a proposition with which we should all agree because fishermen will reap some benefit from the dredging of the area.

There is no need for alarm in respect of the effect on the fishing industry through the actions of this Government or, for that matter, of the previous Government.

The Hon. G. C. MacKinnon: I did not say there was.

The Hon. R. THOMPSON: If members look at the plan they will see that the work will be done slowly over a number of years. Instead of taking the shell sands required from any given area, by working in co-operation with the Port Authority, the company will utilise sands taken from a channel which will probably be deepened to provide a shipping channel in the future. Ultimately the State will benefit from this. There may not be any need for it at the moment but I am sure there will ultimately be a need and a benefit to the State. Therefore, I support the Bill.

THE HON. J. DOLAN (South-East Metropolitan—Minister for Police) [12.38 p.m.]: I consider it is necessary for me to comment on the points raised by Mr. MacKinnon. However, I thank the Leader of the Opposition, Mr. MacKinnon, and Mr. Ron Thompson for their comments.

When I moved the second reading, by way of interjection Mr. MacKinnon asked whether the Fisheries Department knew about this proposition. I think the honourable member should have known the answer before he raised the query.

The Hon. G. C. MacKinnon: I felt it important for the Fisheries Department to be mentioned to allay any worries.

The Hon. J. DOLAN: The probable reason for omitting to do so is that this fact is well known. When the agreement was being considered by the previous Government in October last year this point was raised. At the time Mr. MacKinnon was asked to seek advice from the Fisheries Department as to what effect this would have on fishing.

The Hon. G. C. MacKinnon: I am fully aware of that.

The Hon. J. DOLAN: I do not want to be critical or to go into great detail about this. The terms and conditions were spelt out in detail in the last agreement. This agreement provides that the dredging is under the direct control of the Fremantle Port Authority. The authority will ensure that the work is carried out in a desirable manner.

This agreement is in the best interests of the State and should be continued. It is desirable that the company has a period of 50 years to carry out these operations.

I would like to make one final comment. Some members may remember that many years ago the Rivervale Cement Company dredged shell in the river. I can remember seeing the barges lined up at Canning Bridge. Operations were carried on day and night.

The Hon. G. C. MacKinnon: That is the reason it was built on that site.

The Hon. J. DOLAN: That is right. The barges could be taken in and unloaded. As a matter of fact I knew the firm which built the barges. Eventually the supply of shell in the river ran out and this company will now proceed with something which was in the original agreement. I thank members for their support of the Bill.

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.

MARKETING OF LINSEED ACT AMENDMENT BILL

Second Reading

Debate resumed from the 23rd November.

THE HON. J. HEITMAN (Upper West) [12.45 p.m.]: I support the Bill as I feel it is necessary that rapeseed be included in the proposals for the orderly marketing of seed. However, the Bill goes a little further than we anticipated. In clause 4 it gives a right to the Governor-in-Council to publish in the *Government Gazette* any seed that will come within the Act.

This oversteps the mark because clover seed should not come under the same provision as the oil seeds. However, the amendment on the notice paper should sort this out. I would agree that other oil seeds may be included, but not any other seed.

In the very near future I feel we will have lupin seed incorporated in the same way as we have incorporated rapeseed and linseed. Experiments in growing lupin seed have made great strides forward over the past few years. Perhaps I should say "the breeding of lupin seed." Lupin seed does not shed and it is much easier to harvest than the old Australian blue lupin seed. This plant holds its seeds much longer and it is a sweeter seed than the blue lupin seed.

This Bill prescribes the setting up of a fund to be known as the seed research fund which will be used for research. This is a good move, and we have seen examples of its benefit in the breeding of better clover seed at the agriculture section of the university. Quite a lot of clover has been grown in this State due to these experiments. There is now uniwhite, uniharvest, and a new seed bulked this year, unigrow. This seed is very easy to harvest, and seeds much earlier. It will be grown over a large part of the State.

I am pleased to see the establishment of the committee to advise the Minister on the application of the seed research fund. We realise that the Institute of Agriculture at the university has accomplished a great deal in the breeding of seed over the years. This Bill will allow the setting up of a research fund to assist in further research in the breeding of various seeds. I support the Bill.

THE HON. D. J. WORDSWORTH (South) [12.49 p.m.]: I rise to support this Bill in principle. Needless to say I am very interested in its progress through the House because this type of seed was first grown in any quantity in Esperance. Undoubtedly it is of great importance in the South Province, which I represent, because with the advent of wheat quotas we were forced to find new avenues from which to gain income. It is also interesting to note that rapeseed is now being grown in the wheatbelt. We can only hope that we do not see a quota imposed on rape and other oil seeds, as we have seen with wheat.

As members know, the people in the south are not permitted to grow wheat where they have a 21-inch rainfall. The production of oil seeds is comparatively new to Australia and yet it is interesting to note that the oil seed trade throughout the world is probably greater than the cereal trade. However, in the past, primary producers throughout the Commonwealth concentrated more on the production of cereals, but I am of the opinion that there is a great future for the production of oil seeds.

It has been mentioned that Western Australia has built up an excellent system for the bulk handling of cereals. Therefore, to the people of Esperance in particular, who pioneered the production of these new crops, it was somewhat of a shock to find that they had to revert to the use of bags and that they could not pull in to the bulk installation centre and empty the grain over the chute. Even when these new crops were handled in bulk, it was necessary to take the sugar into the rail siding to fill the trucks. Undoubtedly, therefore, the advantage that bulk handling had over individual consignments was soon appreciated.

The growers quickly joined a voluntary pool for the handling of rape and linseed, because whilst there were contracts available for the smaller quantities of seed grown, immediately growers produced larger quantities of seed which had to be exported to Japan and elsewhere, they soon realised that a board would be the most successful means of handling shiploads of seed.

Last year many farmers who had contracted to grow seed soon switched to the board when they saw an increase in the world price of rape. This was rather unfortunate for the company which had signed these contracts for they were relying on the production of the contracts to fill forward orders. It also created an embarrassing situation for those conducting the voluntary pool, because they were unable to estimate the quantity of seed they would be handling. This is one of the reasons advanced for a compulsory pool.

Sitting suspended from 12.53 to 2.30 p.m.

The Hon. D. J. WORDSWORTH: Before the lunch suspension I was pointing out the advantages attaching to a compulsory pool as compared with a voluntary pool. In fact, the compulsory pool acquires a larger quantity of seed to export, and there is also the advantage of knowing just how much seed will be received, otherwise some of that seed could be diverted to other markets. I would like to quote a small section from an article which appeared in *The Countryman* of the 22nd November. The heading was "Uniwhite pool" and the article concerned a voluntary pool for the marketing of uniwhite lupin. The article stated—

> However, there would be a delay in the payment of a first advance.

That reference highlights one of the big difficulties of the voluntary pools; namely that finance is very hard to arrange. Hence, the desire of the producers to have a compulsory pool because the first payments are soon received by growers. Many producers had contracts with a local crusher last season but they switched to the voluntary pool when the world price increased and the pool was able to pay more than the local crusher. I think that gave

the producers the impression that they were, perhaps, being taken down by the local crusher. In actual fact, in this particular case it was quite obvious that there was a rise in the world price and the producers' assumptions may not have been correct.

Whilst it might be claimed that the local crusher would make quite a lot of money when prices rose, it must be realised that those who do the crushing sell the oil on a forward market in the same way, and at the same time, as they make contracts with the farmers. As a matter of fact, it was the local processing company which pioneered rape growing in this State. That company produced the seed and persuaded the farmers to grow it on contract. The farmers received the guaranteed price. One wonders what would have happened had the world market price dropped. The pool price would then have been lower than the contract price.

That is another reason why the producers seem to favour compulsory pools: Everyone receives the same price. However, I think that is a rather regrettable outlook on the part of many of the farmers. They are, primarily, producers and not sellers and they receive a certain amount of satisfaction in knowing that if they are in a pool everyone will get the same price.

Another unfortunate effect is that there is only one salesman for the pool. The board investigates the world market and then proceeds to sell through a particular firm or an individual. The limiting factor is that, undoubtedly, that system reduces the number of people who sell the product.

I might mention that there are three producers who are board members, and I would point out that the work they do is on a voluntary basis. They have to do a lot of study of world prices, and they have no wish to be professional board sitters. The Bill now before us is to include all seeds and I think this might be a little unjust on the members of the board. Their studies would have to be considerably greater to cover all the seeds which could be included. The board members are happy to sell linseed and rapeseed, and carry out study in that direction. I do not consider they should be burdened with other responsibilities.

I endorse the remarks of Mr. Heitman who suggests the legislation should not be extended to cover clovers. This is more understandable when one realises there is a processor's representative on the board. What is the point of a board selling clover seed when it includes a processor of linseed and rapeseed? He becomes superfluous.

I would like the Leader of the House to comment on the idea of confining the Bill to oil seeds and lupins because these are definitely the seeds which the growers wish to have included. Should there be a decision to go further than these I endorse the idea of holding a referendum of growers before they are included.

There will be a compulsory levy for a seed research committee and this is a very good idea. However, it has been brought to my notice that it is hardly fair that the members of the committee can be removed at the discretion of the Minister. After all, they are grower representatives and I do not think they should be removed if they are in disagreement with the Minister.

In his second reading speech the Minister said that the members of the committee would be selected from a panel nominated by the board. However, when one studies the Bill one cannot find any indication that that will be the case. The Bill states that the committee shall consist of three producers, all of whom shall be appointed by the Minister on such terms and conditions as he thinks fit. The Bill also states that any person appointed to the seed research committee may be removed by the Minister at any time. I think that is a little harsh, especially when one reads the original marketing Act. The parent Act states that each member of the board may be, at any time, removed from office by the Governor for disability, insolvency, neglect of duty, misconduct, or if he ceases to be a producer. Obviously, a member should not be removed from the research committee any more than he should be removed from the board itself.

I feel that the farmers are keen that this Bill should go through. One of the greatest disadvantages will be that we will do away with the contract system of growing. A number of growers have found that system to be of great benefit and one of the greatest advantages is that a farmer knows the price he will receive before he plants his crop. When one plants for the pool system one does not know what the price will be.

With the increase in the production of oil seeds throughout the world—I think Canada alone has an increase of over 1,000,000 acres this year—many people have been afraid of what the price is likely to be, so it is a great advantage to be able to sign a contract before the crop is sown. I think provision for this should be included in the operations of the board. I can see no reason why the board should not contract forward with growers on behalf of the local crushers or why the local crushers should not be allowed to do it for themselves if the board is not willing. Some provision should be made for forward contracting. Another advantage is that, having signed the forward contract, a farmer can often receive an advance to put the crop in. This is of great importance in view of the state of rural finance today.

In considering the establishment of a board, we should consider the effect it will have on the local crushers. They have

pioneered this crop and it looks as though they could go out of business when this Bill is passed. They have to forward contract; that is the way they do business. If they are prevented from having forward contracts, they will either have to move to the Eastern States where they can do forward contracting or they will have to import rapeseed from the Eastern States. Either of those courses would put them at a great disadvantage compared with producers elsewhere. If there were an Australia-wide board, perhaps it would be a different story; but we are only legislating for the State.

I think it is most important that we should have secondary industries for the processing of our primary products. As regards iron ore and the wool industry, there has been great criticism of the fact that we are shipping away the raw product and not manufacturing it. We should give some protection to our primary industries to process our primary products in this State.

I do not blame the producer for thinking he can push up the price when a crusher is established in this State. The board can push up the price and if the processor does not accept the prices set by the board he has to buy elsewhere and pay the cost of importing. We cannot blame the farmer for thinking in these terms. After all, Britain, the European Economic Market, and America have higher prices for home consumption than for export. However, if this board adopted such a policy it would put the local crusher at a great disadvantage. By way of illustration of this point, the local crusher here had contracts for $80 a ton delivered to his works at Perth. He ended up having to pay $100 a ton in Esperance to the pool, and it cost him $112 a ton by the time the seed reached Kewdale. In fact, he paid much more than he would otherwise have paid under the contract system. I understand much of this is due to the bulk handling costs of $8 a ton. I think that figure should be investigated because it seems very high when one considers the cost of building a bulk installation on one's property. I understand that in the United States, where bulk handling is carried out by private enterprise, the costs are about $2 a ton.

The Hon. J. Heitman: It is 13c a bushel.

The Hon. D. J. WORDSWORTH: I have discussed this matter with the Government representative on the board who admits that the board is charging at least $6 a ton. My informant was not able to verify the $8 a ton about which the local crusher is complaining.

I think it is also most important that crushers should be permitted to make some sort of contract with individual farmers because the shareholders of the local crushing plant are farmers. This Bill will prevent the shareholders who own the company from selling their own seed to the company. I think there should be some way in which they can bypass the board, at least with their own produce.

This sort of thing will happen quite often in the future with compulsory pools. I know of a company which was interested in lot feeding cattle. The difference in the price of barley bought from the Barley Board and direct from the farmer is quite considerable and probably means the difference between profit or loss to the venture. I think there should be some method of exemption from some of the costs at least for local processors or users. I believe this is done by the Wheat Board in certain cases.

I gather the local crusher may also be at a great disadvantage in that, having done the crushing here, there is not a great demand for the by-product, which is protein meal. This by-product must either be exported at least interstate—and, being of a very fluffy nature, the costs per ton to move it are quite considerable—or it must be sold locally at a discount.

The local crusher therefore has several disadvantages compared with his interstate rivals. I think we should endeavour to protect him. It is most important to have industries in this State because the export value of the oil is higher than that of the raw product, and we could also utilise the by-products and create employment.

I have already pointed out the difficulties of the local crusher which may force him out of business, but I think we should also consider that rapeseed will be a more difficult crop to handle than grain and cereals. There is a greater necessity to keep it clean. Members might have read an article in *The Countryman* last week. It was headed, "Serious threats facing industry," and was a report of a statement made by the Director of Agriculture, Mr. Fitzpatrick. The article reads—

> The Director of Agriculture, Mr E. N. Fitzpatrick, this week urged rapeseed growers to take immediate steps to avoid two serious threats to WA's rapeseed industry—spread of the disease blackleg, and of the weed charlock.
>
> The seed of charlock was almost identical to rapeseed and could not be distinguished from it with the naked eye. It could not be graded out.
>
> Because it was closely related botanically to rapeseed, no selective chemicals were available to control charlock in rapeseed crops. In cereals, it could be controlled with 2,4-D and other chemicals. It had been present in small areas in parts of the State for 30 years, and in cereal crops was regarded as comparable with wild radish and wild turnip.

> The importance of quality when selling on world rapeseed markets could not be over-emphasised . . .

Not only are there difficulties regarding quality and cleanliness in the bulk handling of rapeseed but also, if a person has dirty seed, he cannot be excluded from selling it. The only way he could sell it with a compulsory pool would be to mix some cereal with it so that it fell within the category of less than 60 per cent. rapeseed.

The Hon. C. R. Abbey: What about segregation?

The Hon. D. J. WORDSWORTH: The difficulty is whether the board can segregate the different types that are required. I gather that certain countries will only import rapeseed that does not contain any euricic acid. Sweden, for instance, considers the acid is dangerous to health. Other countries do not consider the acid content as being very important. Consequently, crops will have varying yields, and it is possible that the acid-free varieties will have lower yields than the others. Farmers want to have a choice in what they grow.

Perhaps the easiest way to deal with this problem would be to allow the local crusher to enter into contracts, either through the board or privately, for the rapeseeds that are in less demand and to bulk out the large quantity of seeds.

These are all minor points but I think they should be taken into account when considering this Bill. I am in general agreement with the principles of the Bill providing the rights of the individual are protected and we retain a free-enterprise system.

THE HON. S. T. J. THOMPSON (Lower Central) [2.50 p.m.]: I rise to support the measure. I think the House is indebted to Mr. Wordsworth for the valuable information he provided. Like him, I sympathise with the pioneers who have done a wonderful job.

I feel that unless we take steps to provide a marketing system the situation will deteriorate into absolute chaos within the next few years. At the moment growers in my area are stripping 10 bags of rapeseed per acre, and that is a very valuable crop. Contractors come around and harvest the crop with 18ft. machines. They convey the seed off the property without the grower ever touching it.

I visualise that as a result of the profit being made this year a considerable number of new growers will enter the industry. As a matter of fact, people are trying to purchase seed at the present time so that more growers may enter this field. I foresee that the situation which prevailed in respect of barley will also prevail in the case of rapeseed. Some years ago very little barley was grown in my area, but now there is virtually a glut, and the growing of rape is becoming much more popular than the growing of barley.

The Hon. D. J. Wordsworth: One of the difficulties with barley is that only one seed is allowed in each district.

The Hon. S. T. J. THOMPSON: That is right. I also agree with Mr. Wordsworth on the question of including other seeds in the provisions of this Bill. I quite agree that provision should be made for a referendum in the case of the growers of other seeds wishing to be included. It may not be necessary to hold a referendum because the growers of some seeds might be willing to place themselves under the provisions of this measure without holding a referendum. However, I think provision for a referendum, if required, should be included.

I do not know how we will overcome the difficulty of allowing the contract system to exist under an orderly marketing scheme. This is a most difficult problem which I feel must be handled by the board. There are two amendments on the notice paper, and I will have the opportunity of further discussing this matter in Committee. I support the Bill.

THE HON. G. W. BERRY (Lower North) [2.53 p.m.]: I rise to support the Bill, and I would like to provide a little information about erucic acid, which was mentioned by Mr. Wordsworth. Some northern European countries do not require this acid because they consider it to be detrimental to health. However, in the case of local manufacturers some seed with a high erucic acid content is used for baking. Other manufacturers require seed with a low erucic acid content.

The present trend is to grow various types of seeds which have particular virtues for manufacturing purposes. A mixture of all types of rapeseed is not acceptable to local manufacturers because their activities call for special lines for special purposes. It is anticipated that the local consumption this year will be in the vicinity of 6,000 tons.

At the present time Canada has 3,500,000 acres under cultivation, with a yield of approximately 18.7 bushels per acre at 40 bushels to the ton. This year it is expected that local growers will plant somewhere between 60,000 and 80,000 acres with an estimated yield of 15 bushels per acre.

Mr. Wordsworth stressed the point that local firms should have the opportunity to write forward contracts. I think it might be possible to write contracts through the board at a firm price and with a firm delivery date. If the board cannot get the specific seed at the time it is needed, the flow of seed to be processed into oil will be interrupted.

In the case of the local firm which is engaged in the processing of linseed oil, business is not as profitable as it was previously owing to a decrease in world demand. In only a short space of time—I think planting commenced only last year—the growing of rapeseed has expanded to considerable proportions.

Another aspect which concerns local manufacturers is that the seed must be paid for on delivery or within five days, whereas the manufacturers sell their product on credit of anything up to 90 days. So they are certainly at a disadvantage in that respect. I support the Bill.

THE HON. I. G. MEDCALF (Metropolitan) [2.56 p.m.]: I wish to make it clear that what I am about to say results from my firm belief that we should take an interest in this question not only from the point of view of the single industrial concern which has set itself up to process rapeseed in this State, but also from the point of view of the growers who wish to maintain the maximum price possible for their seed.

I wish to say briefly that the trade now works in an entirely voluntary capacity. At the present time farmers grow the seed either under contract to Refinoil Pty. Ltd., which is a small local company 90 per cent. of the shareholders of which are farming people, or they submit it to the voluntary pool which now operates to sell the seed wherever it can, either for export or to local processors. When I say, "local processors" I mean "the local processor" because there is only one.

Therefore the board must look for its market either overseas or with the local processor, Refinoil. I think it is important to grasp that point because if Refinoil ceases operation the one local processor will be eliminated. I might say that at the present time it is operating under a State Government guarantee to the tune of $50,000. It employs 19 people in its works at Jandakot. If Refinoil is unable to pursue this trade it will have to close its works and the Government will be required to pay what it has to pay under the guarantee or, alternatively, it will enter into a completely different type of commodity which will be imported from overseas. It cannot import rapeseed from the Eastern States because the freight is so high that the proposition is uneconomic.

The company manufactures edible oils from rapeseed and sells the oils to the Eastern States for use in food manufacture. It cannot afford to buy its rapeseed in the Eastern States, process it here, and sell the manufactured product back to the Eastern States.

In addition, the company manufactures stock and poultry food from the residue, and it sells that product to local dairy and poultry farmers or to anyone else who wishes to buy it. However, that is only a sideline: the main concern of the company being the manufacture and export of edible oils used in food manufacture for domestic consumption in Australia. The oil is sold to Eastern States companies and manufacturers.

Let us contemplate for a moment what would happen if we took this company out of business, and I think that will be the effect of the Bill in its present form. If we pass the Bill in its present form I am sure the company will go out of business as far as rapeseed is concerned, although it may continue in business in some other completely different commodity.

I would ask members to look at an answer given by the Leader of the House to a question asked by Mr. McNeill on the 18th November. I draw the attention of members to the minutes of the proceedings of this House where they will see that Mr. McNeill asked the following question, among others:—

> What are the specific market outlets for the Western Australian production, and what quantities were supplied in each case in the year 1970-71?

He was talking about rapeseed while at the same time also dealing with linseed. The answer given by the Leader of the House was as follows:—

> Rapeseed: Supplied to local refiners and the Japanese.
>
> 1970-71—Local, 2,000 tons. Export, 400 tons.

So we find that out of the 2,400 tons of rapeseed that were supplied in 1970-71, 2,000 tons were taken by the local refiners. It would be significant if this company went out of rapeseed consumption.

I draw the attention of the House to this matter because I was informed by the managing director that this is what will happen to his company if we persist with the Bill in its present form.

I am also informed that rapeseed is a variable product of which there are many different varieties. Each year new varieties come in and they are used by up-to-date manufacturers in a variety of new modern processes.

The whole aim of having a contract with a particular grower is to ensure that one will get for one's refining process the kind of rapeseed one knows can be sold to other food manufacturers.

It is feared by the company in question that with so many different varieties of rapeseed the mixing of them into one pool would make it very difficult so far as fulfilling contracts for different types is concerned.

I have heard segregation mentioned and I suppose, theoretically, it is possible to segregate the seed into the various types

at considerably greater expense. It is possible that might take place. But one of the associated problems is that new varieties are coming in all the time and while the manufacturing and secondary industries are a little behind the scientific discoveries they are well up in putting them into products they want to market. At the present time the firm signs its contracts in March of each year for delivery in February of the next year. By November of the same year Refinoil must complete its contracts with manufacturers who buy the edible oil. The contracts must be completed at a firm price by November.

Apparently when the company has dealt with the pool in the past it has not had a firm price until January or February, so if it signs a contract at a firm price in November it takes a gamble on the price it will obtain from the pool.

I would point out that in fact the firm has sustained a loss for the last three years, but it is still hoping that good sense will prevail and that it will be able to carry on in the trade.

But we introduce a complicating factor when we say that the company requires for its particular contracts particular types which it must guarantee to get, and it must sign the contracts by November in each year at a firm price when it will not know the actual price till February.

Some of the difficulties in the present proposal are firstly that there has been no referendum of the growers of rapeseed. I do not know whether that is common knowledge, but I think it would make a difference had there been a referendum of the growers of rapeseed. If anyone can tell me there has been a referendum I would like to be supplied with the particulars.

The second difficulty is that the industry which pioneered rapeseed here has never been consulted about the plans proposed in this Bill; nor has the Linseed Marketing Board been consulted. That is a strange situation. Here we have a board which is to operate the pool not being consulted. One would have thought there would have been consultation with the company which pioneered this seed, which distributed the seed, which introduced the seed into Western Australia.

One would have thought that common courtesy would have demanded the company being asked, "How will your company be affected?" But let us forget about courtesy for the moment, because business is no matter of courtesy in the long run; though it does help. But is it not a matter of sheer economic business prudence to ask your best customer how he will get on if a certain line of action is adopted? I think it is elementary; and the thinking on marketing is that the buyer organisation should be brought into the picture somewhere along the line. It is not essential to go into partnership with the buyer organisation as it might be in the case of the aluminium companies; but one must make sure of one's buyers, because if the buyers are frightened off or lost what is the use of the legislation? I feel the market factors have been ignored in the application of this position.

Frankly I have not seen the appreciation but no doubt there is one. I do feel, however, that the market factors have been ignored and this ignoring of market factors has placed the whole question of rapeseed production in jeopardy; in fact it could place the whole seed industry in jeopardy, were the other seeds declared; as we are now providing power for this legislation to apply to any other seed.

Finally, and by no means insignificantly, are we not going to end up increasing the price of stock food and of other seeds to primary producers? This is not significant so far as growers of rapeseed are concerned, because they want more for their rapeseed.

There are certain very definite disadvantages about having a complete overriding and compulsory pool in respect of rapeseed and I hope members will bear with me if I outline what I feel are some of those disadvantages.

I am not opposed to a compulsory pool if it works and does justice to the industry; by that I mean justice to not only the growers but to the secondary industries, to the public, and to members of the farming community.

While I am not opposed to a compulsory pool I should draw attention to the arguments advanced against a compulsory pool in the particular context of rapeseed. As I have already mentioned, firstly I feel there is a lack of flexibility in respect of new types of seed coming on the market all the time. Let us not forget that it is the buyers who say the variety of seed they want; it is the buyers in the long run that determine this, much as we may regret it.

If the buyers want a particular seed and it is not there they will go somewhere else for it. Where will they go? The overseas buyers will go straight to New South Wales or Victoria where there is greater flexibility. They will go there and sign their contracts with growers and get the seed they require. They will distribute the seed in the first place and will get back the variety of the rapeseed they require.

That is where they will go, and we must bear that in mind.

The Hon. C. R. Abbey: Don't you think the authority to be set up will be aware of that situation?

The Hon. I. G. MEDCALF: I would like to believe so. It is quite possible it will be, but the authority to be set up will be the board to which I have been referring which will simply change its name, and that board has not been consulted on this

question, so I am informed by one of its members. I hope the honourable member is right and that if the Bill becomes law I am proved wrong. However, I still believe what I am saying is right, which is why I am speaking.

Competition exists elsewhere. We are an isolated community and this is not an Australia-wide pool. It is not like the wheat pool which has application to the whole of Australia. It is a Western Australian pool, and we are dealing with hard-headed overseas' buyers who will get what they want from elsewhere, and snap their fingers at us.

I have already mentioned the neglect of the local industry. It is impossible for those concerned to contract on the existing basis. With a voluntary pool they are likely to fold up operations in respect of rapeseed, and drop right out of that market. I have also mentioned the other reasons why I believe they should receive some consideration.

However, that is not my prime reason for raising the matter. I still believe that by eliminating the competition of the local group we are doing a disservice to the rapeseed growers, who should try to get the best of two worlds. It is desirable they should have their voluntary pool, or compulsory pool, so long as provision is made for them to keep the industry going and keep the local processor in existence so he can still run his business economically. Do not let us drive out the local processor. It is terribly hard to establish processing industries. We are always being accused of this by our national leaders. They refer to Western Australia as being a great farm or quarry, and accuse us of doing nothing about secondary industries.

Here we have one on our doorstep and it has been encouraged and stimulated by our farming community. It has been in operation for three years, but it is likely to be forced into the position where it will no longer be a customer of rapeseed in Western Australia. If this occurs, where will the rapeseed be sold? Other outlets will have to be found. Once we drive the industry out, it will never come back and we will never make the next grade.

I would like to ask the Minister a few questions. Does the Minister appreciate that the local refining company must sign the contracts to supply oil by November each year based on a firm price? Does he appreciate there are many different varieties of rapeseed, and that specific varieties are required by certain manufacturers? It will be virtually impossible to obtain these from a pool.

Does the Minister appreciate that this means that overseas buyers would leave the local market alone and concentrate on contracts elsewhere? Does he appreciate that the Eastern States' growers will be able to supply all the rapeseed now coming from local farmers? The effect of this Bill will be to ignore the local growers in that market. Is the Minister aware that the additional cost of the pool and the uncertainty of the market will drive our one local processor out of rapeseed altogether? Is he so confident of the marketing expertise of the board that he can be assured of selling all the seed produced overseas? Do we not fear a reduction in price on account of our inability to supply the market?

I have said what I believe to be true and finally I would like to indicate that I hold no specific brief for Refinoil. That may surprise members, but it is true. I was supplied with information, as were other members, but I attempted to evaluate it for myself. I believe the growers have over-reacted in their desire to stabilise the market. They have ignored some factors which will have a bad effect on the future of this industry which we hope will ultimately be prosperous.

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the House) [3.16 p.m.]: I thank members for their varied contributions to this debate. I can indicate to those who have spoken this afternoon that I have some prepared notes which deal in the main with the recurring subjects touched upon throughout the debate. However, I would not be in a position to answer in detail the particular series of questions put through me to the Minister for Agriculture, although I think it can be said in general terms that he would be aware of the existing situation. For record purposes, I propose to give the information supplied to me. It deals mainly wth matters which will be dealt with in Committee. For some time amendments to this Bill have been on the notice paper. With regard to the provision of a referendum, I am told that there is provision for Cabinet or a Minister of the Crown to arrange through the Attorney-General to carry out a referendum on any issue which is considered to be of sufficient magnitude. In recent times referendums have been carried out in relation to the establishment of a linseed marketing board, a lamb marketing board, and the introduction of egg quotas for the egg industry. Since this power exists already, there is no point in the amendment suggested that provision be made in this Act to allow the Minister to conduct a referendum. This power already exists and does not require inclusion.

Any Minister will wish to assess the views of an industry if a major change such as the introduction of compulsory marketing is being planned. A compulsory referendum, which is an alternative, would provide that there could be only one avenue of assessment of the attitude of the industry.

Experience has shown that other avenues can be used effectively. An example is the introduction of wheat quotas into Australia and Western Australia on the basis of a recommendation of the Australian Wheat Growers Federation.

If the Minister is bound by Statute to introduce the marketing of a new seed only by referendum, it could result in considerable delay.

It has been suggested any seed other than lupins, linseed, and rapeseed could only be included under the Act by an amendment introduced into the House. This again could result in very considerable delay as is illustrated by the present amendment, which was initiated in order to meet the wishes of rapeseed growers for orderly marketing after a deputation waited on the Minister early in 1971. Despite every effort being made by the Government it has not been possible to have the amendment operative to ensure orderly marketing for the 1971-72 season.

The main purpose of the amendments which have been moved is, without doubt, to protect the interests of the growers. Any Minister will wish to have the firm backing of the industry before placing a seed under a board. A referendum will not protect the minority of growers who may be adversely affected and can be binding on the Minister.

On the other hand, a full discussion with the industry where the rights of minority groups can be fully considered is more likely to achieve an equitable decision.

There is a history of referendums on important issues having been lost through the opportunity provided to vested interests to sway a large number of relatively ill-informed voters. While a referendum would appear to be the most democratic process this is not necessarily the result which is achieved.

The Hon. D. J. Wordsworth: Does that apply to lamb as well?

The Hon. W. F. WILLESEE: Let me deal with one Bill at a time. The wool industry is a classic example of what I have said.

The question has been asked whether the proposals have been discussed with the Linseed Marketing Board. The initial request for the compulsory marketing of rapeseed was made in a deputation to the Minister for Agriculture early this year by the Oilseed Section of the Farmers' Union of Western Australia. Members of this section are included in the producer members of the board and would have been fully informed of the proposal for compulsory marketing of rapeseed. The amendments have been discussed in some detail with the chairman of the board. The widening of powers to include other seeds have not been discussed with the board.

As indicated previously the Minister for Agriculture would certainly wish to be sure that he had industry support before introducing compulsory marketing of another seed, and would seek to determine this by the most appropriate means available under the circumstances.

At this stage he would obviously include the board in his discussions to ensure their attitude. It would have been a hypothetical undertaking to discuss the inclusion of other seeds with the board at this stage.

There was also comment on the desirability of providing for exemptions so that the local processor may be able to enter into separate contracts. Members will be aware that Co-operative Bulk Handling does not handle grain for private groups so that a farmer entering into a private contract is required to make his own arrangements for the despatch of seed to the purchaser. With lupins at present under private contract some growers are finding that they are faced with holding their seed on the farm at least until April and probably July, 1972. In most cases farmers will elect to deliver to Co-operative Bulk Handling rather than be faced with the problems of organising railage to the processors. As a result the processor would have difficulty in arranging private contracts while compulsory pool arrangements existed. Also, and more importantly, it is a fundamental feature of compulsory orderly marketing that the home consumption price and the export realisation should be pooled and averaged and distributed as an average return to the grower. Arrangements such as suggested are not found in any other compulsory marketing arrangement of which I am aware and would seem undesirable in this case where such a major part of the crop will be exported.

It was suggested that true marketing flexibility is only available to the private operator, as the Western Australian Barley Marketing Board and the Australian Wheat Board appear to have achieved an excellent record in marketing Australian grains in competition with the overseas private sector of the industry.

The Hon. D. J. Wordsworth: What about the export of flour?

The Hon. W. F. WILLESEE: Recent inquiries made overseas indicated also that many buyers prefer to deal with boards which have control over supply and can, in fact, guarantee to supply the quantity ordered. It is particularly surprising that the processing company should be concerned about the provision of this amendment relating to rapeseed. The processing company concerned is represented on the board. The board will obviously be interested in protecting the home market which is always recognised as being the most important market. The access of the company to supplies should be improved

by the pooling arrangement and while the company may claim some cost advantage this would need to be substantiated, taking into account the costs to the farmer. The question was also raised of special varieties which would be low in erucic acid. At present the varieties have lower oil content and will not be sought after by Japanese processors. We may, however, be assured that the board, through its handling agents, presumably Co-operative Bulk Handling, will have adequate power to segregate types and varieties of rapeseed. In fact, segregation requires volume so that bulk shipping and cheap freight can be used and this can only be achieved by compulsory marketing.

The question was also raised of bringing clover seeds under the board. The Government is fully aware of the difficulties in this area, particularly due to the operation of section 92 and an assurance can be given that any such proposal would be carefully examined and the views of the industry fully explored. The number of producers have, however, fallen from 800 to 400 and the value of production from around $5,000,000 to possibly $2,000,000.

The most successful research committees established under joint industry-Government research arrangements have been those committees associated with the wheat industry research provisions. Under this Act there is a Commonwealth Wheat Industry Research Council established and there is a Wheat Industry Research Committee in each of the wheat-producing States. The State committees are concerned with the distribution of the fund entirely contributed by the fund while the Commonwealth committee is concerned with distribution of those funds contributed by the Commonwealth. The Wheat Research Act—No. 22 of 1957—merely provides that a committee for a State shall consist of such number of members as is agreed upon from time to time between the Commonwealth Minister and the State Ministers and shall be appointed from persons nominated by the State Ministers but so that a majority of the members shall be producers. This has provided for flexibility to meet individual State requirements and while the committees have different compositions between States they have worked satisfactorily. The Wheat Research Act also provides that the committees hold office during the pleasure of the Minister.

The purpose of the Act as submitted is merely to provide the Minister with flexibility in order to meet the particular needs of the industry as it develops. In the first instance producers of oil seeds would obviously be the producer representatives on the committee but subsequently there could be need for representatives of other industries either instead of, or in addition to, the existing producer representatives. If these adjustments were necessary it is likely that it would be necessary for them to be made at relative short notice following a substantial increase in the production of a crop in response to market demand or through the inclusion of a new crop under the Act in response to pressure from the farming community.

It is therefore desirable for the Minister to be in a position to adjust the committee in response to these needs rather than to be tied down to specific representation, terms of office, etc. The conditions of appointment, which can include payment of sitting fees and expenses would also need to be flexible. A small fund could not support the high committee costs but a much larger fund which required members to spend considerable time making allocations could and should remunerate its members for the contribution they make.

It is not known how big the industry will finally become, nor how big the fund will become. It is for this reason that the provisions have been left flexible rather than any desire not to inform Parliament fully on the precise conditions of appointment associated with this committee.

An example of a committee where membership is laid down precisely in a way which might now be analogous is the Soil Fertility Research Committee. This committee was established under the Soil Fertility Research Act, which was No. 51 of 1954, to administer funds voluntarily contributed by wheat producers. It specifies that the producer representatives of the trustees of the fund should be the President and two Vice-Presidents of the Wheat Section of the Farmers' Union of Western Australia. Today the funds are in the main contributed by barley growers yet the Coarse Grains Section of the Farmers' Union is not represented. Fortunately many barley growers are also wheat growers but the situation does point to the dangers in being too specific in the membership of such committees. The amendment of the contribution from ½c per pound to ¼c per bushel is required because of an error in the original Act. A contribution of 28c per bushel on linseed is obviously excessive.

Mr. President, I have notes additional to those which I have just read. In notes previously supplied it was pointed out that one of the basic principles of compulsory pooling is to equalise the home consumption price with the export price for the benefit of all growers. For this reason the signing of completely separate contracts outside the pool with the company having its contract growers would negate one of the prime purposes for the establishment of a compulsory pool.

If the local processor only requires seed from a particular grower who produces a high quality product delivered to him, power already exists within the Act for

the board to make such arrangements with him. Precedent for this action is well established in that individual growers deliver premium wheat to flour mills and selected growers also deliver barley to Union Maltings with the approval of the relative boards even though these commodities are under compulsory marketing boards. In these cases proceeds are paid to the board and included in the pool and the grower meets the normal handling and toll charges of Co-operative Bulk Handling. The grower of premium wheat is paid the premium agreed for the quantity supplied to the mills.

Similar arrangements could be entered into for linseed, rapeseed or any other seed included in this Act.

It is contended that the grower should pay the toll and handling charge on seed delivered direct to the user since Co-operative Bulk Handling is required to maintain handling facilities for the remainder of his crop and may even be required to receive the load in question if it is, for some reason, rejected by the processor. In most instances Co-operative Bulk Handling is involved in sampling and assessing grain prior to despatch.

Power does, however, already exist under section 20 (2) of the Act which provides that the acquisition power of section 20 (1) does not apply to seed that is sold or delivered with the written approval of the board. The amendment suggested by Mr. Medcalf provides, in effect, for seed grown for local refining to be exempted under regulation, whereas section 20 (2) leaves this decision to the board. It is, however, normal under such legislation for regulations to be gazetted only after considering the views of the board, and for this reason the end result would be similar.

Experience over the years has shown that growers prefer to deliver their grain immediately to Co-operative Bulk Handling to avoid storage on farm. Seed grown under contract for a local processor would have to be received in store immediately by the processor or stored on farm. If the latter situation applies it is unlikely that the grower would accept the inconvenience involved in delivery direct to the processor. At this stage the local processor does not have the necessary storage capacity.

There may have been some administrative problems in relation to supplies of linseed to the local processor. A meeting will be held tomorrow between the Director of Agriculture and representatives of Co-operative Bulk Handling, the Grain Pool, the Linseed Board, and the processor to discuss these problems.

Mr. President, that is the case I have had prepared in answer to the general questions outlined by members in their discussion of this Bill. I commend the Bill to the House.

Question put and passed.

Bill read a second time.

BILLS (2): RECEIPT AND FIRST READING

1. Local Government Act Amendment Bill.

   Bill received from the Assembly; and, on motion by The Hon. C. R. Abbey, read a first time.

2. Consumer Protection Bill.

   Bill received from the Assembly: and, on motion by The Hon. W. F. Willesee (Leader of the House), read a first time.

ALUMINA REFINERY (UPPER SWAN) AGREEMENT BILL

Assembly's Message

Message from the Assembly notifying that it had agreed to the amendment made by the Council, subject to a further amendment, now considered.

In Committee

The Chairman of Committees (The Hon. N. E. Baxter) in the Chair; The Hon. W. F. Willesee (Leader of the House) in charge of the Bill.

The CHAIRMAN: The amendment made by the Council is as follows:—

> Page 2, line 5—Add after the word "authorized", the following—
>
> > when the Environmental Protection Authority proposed by the Bill entitled—
> >
> > > A Bill for an Act to make provision for the establishment of an Environmental Protection Authority, a Department of Environmental Protection and an Environmental Protection Council for the prevention and control of environmental pollution and for the protection and enhancement of the environment, to repeal the Physical Environment Protection Act, 1970, and for incidental and other purposes
> >
> > has come into being and has considered and reported to the Premier on the project covered by the Agreement and the terms proposed so far as they relate to matters of environmental protection.

The further amendment made by the Assembly is as follows:—

> Add the following words after the word "protection" at the end of the paragraph—
>
> > such report to be presented to the Premier not later than the

twenty-ninth day of February, one thousand nine hundred and seventy-two.

The Hon. W. F. WILLESEE: I move—

That the further amendment made by the Assembly be agreed to.

The further amendment is in addition to the amendment passed in this House. It merely adds a protection requested by the company. The company wants to know by a given date—the 29th February, 1972—the contents of a report which will be made available to it as a result of the operation of the environmental protection bill. To ensure priority for its project it seems to me the company is entitled to have some assurance when this proposed organisation will become effective.

In the light of circumstances it therefore seems to me that the further amendment is reasonable, and I trust the Committee will accept it.

The Hon. A. F. GRIFFITH: I thought we had seen the end of this Bill when the Council agreed to an amendment the other day. When I heard the Leader of the House say that the Government was prepared to accept my amendment, I thought it would get on with the job. Unfortunately, we now have the Bill back.

I want to make it perfectly clear from the outset that I do not wish to do anything to endanger the possibilities of this project getting off the ground.

I said that during the debate on the second reading of the Bill and I reiterate it. I think the company is entitled to make a request to the Government. To use the Minister's own words, the company is entitled to have some assurance that the report to be made by the environmental protection authority, when established, should be made without delay. The Minister has said that the amendment moved by the Legislative Assembly takes nothing from the amendment moved by the Legislative Council, but merely adds to it. This may be true, but, if it is, what has been added will create great difficulty for the company.

Whilst I appreciate the company's motive, I think the Government should have taken steps to ensure the company is given this assurance by getting the Premier of the State to write a letter of intent to the company which it could have taken around the world to show to those who are investing in the company. I am sure I could have drafted such a letter of intent. These letters are acceptable in the business world from Governments that are recognised as being stable. The Western Australian Government—I do not necessarily mean the present one—is regarded throughout the world as being stable.

The amendment by the Legislative Assembly stated that the report must be made available by the 29th February, 1972. If for some reason the report is not received by that date, what will happen? I suggest if it is not available by that date, the agreement might be in jeopardy. I am not a lawyer, but it could be that if the Government is not able to fulfil all the requirements of the agreement by that date, the whole agreement will be in jeopardy.

I cannot help being amazed at the speed and alacrity with which situations can develop. On the 19th May Mr. Tonkin is reported as saying—

> Mr. Tonkin said that the Cabinet had received a preliminary report on environmental aspects of the Hanwright - C.S.R. proposals from the director of Environmental Protection, Dr. Brian O'Brien.
>
> Dr. O'Brien was still working on his main report for the Government.

Again, on the 26th May, Mr. Tonkin was reported as follows:—

> The report on the environmental aspects of the proposed refinery by the director of Environmental Protection, Dr. Brian O'Brien would not be binding on the Government but would influence it, Mr. Tonkin said.

On the 29th November, 1971, I asked the following question:—

> Has the Government submitted the proposed Pacminex Agreement to Dr. O'Brien for his consideration and report?

I received the following answer:—

> No formal submission for a report has yet been made.

On the same date, the third question I asked was—

> If the answer to (1) is "No", can the Minister advise the House whether Dr. O'Brien has ever perused the Bill and the Agreement attached thereto, and whether he has at any time visited the proposed refinery site?

The answer to that question was—

> Yes, Dr. O'Brien has perused the Bill and the Agreement and has visited the general vicinity.

So although no formal application has been made to Dr. O'Brien, he has visited the vicinity and he will make a report which the Government hopes to get very soon.

A preliminary report had been received by the Government. On the 1st December it was stated, in relation to this amendment that the report was well on its way and, in fact, we could get it by the end of January, 1972. We will get the report by then, but to play safe the amendment seeks to stipulate that the date of receival shall be the 29th February, 1972.

I can well imagine the company being worried. I am worried, too, because I do not know what the position is. I know we have received many answers to questions; none of which fits with the other. This is similar to an announcer giving a news flash. Today, he announces—"We have it." The next day—"We do not have it." The following day—"We have not asked for it." The day after that—"We have asked for it." Subsequently he announces—"We will get it by such and such a date, and if we don't something else will happen." In such a situation one must be confused.

The Minister has not given a satisfactory reason, to my way of thinking, that we should accept this amendment. He merely stated he thought it takes nothing from the agreement, but merely adds to it. I repeat that it adds a grave doubt. I think the company was ill-advised to ask the Government to put forward an amendment such as this in the Legislative Assembly, and I certainly think the Government did not give good advice to the company when it said, "We will move this amendment." The Government should have said, "If we move this amendment we will have to send the Bill back to the Legislative Council and we do not know what is likely to happen there. They can agree with it or return it to the Legislative Assembly and, if they do, we are faced with three alternatives: We can agree with it; we can disagree with it and ask for a conference of managers, or we can let the Bill lie."

I take it the Government does not want to let the Bill lie. The Government is anxious to get the Bill through so the refinery can be established after it has been examined by the environmental protection authority and a report has been submitted to the Government.

To my way of thinking there is no need to stipulate a particular date in the Bill and thus place the Bill in jeopardy.

If the Government intends to move quickly on the matter it should have heeded my advice. In the Committee stage the other evening, my final words were that I hoped the Government would get on with the job, and that the report would not be delayed unnecessarily.

In the *Daily News* of yesterday the following appears:—

> In Perth Director of Environmental Protection Dr Brian O'Brien, said that most of the environmental research into the refinery site had already been completed.

The question I ask is this: Has Dr. O'Brien completed almost all of the research by going into the vicinity of the area? What is the vicinity of the area? Is it a mile away, or a foot away from the refinery site? If Dr. O'Brien is in a position to report so quickly on the agreement I suggest the truth of the matter is that he has been on the site of the industry and not in the vicinity of it. I give him due credit for being an intelligent man, and he has done all the preliminary work, according to the comments that have appeared in the Press and those made by himself. Surely we are entitled to have some doubt as to what is the real position.

I said I believed the Premier, because he gave me a reply in his own handwriting to some question I had asked. Surely his words were truthful. Why then mix this with a lot of other material that leaves an element of doubt?

I think the amendment suggested by the Legislative Assembly does not take the matter any further forward than the situation in which the Bill was in as it left this Chamber. The Government having accepted the amendment in this House, I really expected the next stage would be a message from the Assembly intimating that it had agreed to our amendment. If that had been the case I would have been satisfied that the Government was getting on with the job.

I want to offer the Government my thoughts on these matters. I will not say it is advice, because that might cause the Government to move away a little. An amendment of this nature by the Assembly serves no good purpose. I can see no purpose in it at all, except for one thing: it might put the agreement in jeopardy. Why not get on with the job as the Government contends it wants to do? By agreeing to the Bill in the form in which it left this Chamber, the Government could say to the company, "We realise you are going overseas to contact your partners and you want to know the Government's intentions. In order that you can verify the Government's intentions here is a letter of what it intends to do."

If there was any slip, or if it were not possible to make a report by the 29th February, 1972, the Government would not allow the legislation to run into jeopardy and risk the chance of its being challenged legally. It strikes me that if the terms of clause 2 are not fulfilled by that date, there is a serious risk of the agreement running into some danger.

Sitting suspended from 3.56 to 4.14 p.m.

The Hon. A. F. GRIFFITH: There is not much more I want to say, except that in this afternoon's Press there is a reference to a Government Minister who has accused the Opposition of this Parliament of "playing 'political tiddlywinks' ". That is what he calls it.

I moved an amendment to a Bill which was presented here in relation to an agreement we had before us. As I explained at the time, I moved the amendment in

conformity with what the previous Government intended should occur in relation to this agreement. Our intention was to sign the agreement, refer it to the environmental protection council, and then bring it to Parliament for ratification. Whilst the present Government has not achieved all those things, the amendment I moved will ensure that the agreement goes before the environmental protection authority before it is signed.

The Premier of the State has given us an assurance in his own handwriting to the effect that this will be done. When it was put to this Chamber, the amendment I moved was passed with the support of the Ministry in the Chamber and the support of members. There was no division on it. I therefore fail to see that there has been any "political tiddly-winks" here in relation to this Bill up to that point.

When the amendment reached the Legislative Assembly, another amendment was moved, which was sent back here; and the Opposition is accused of playing "political tiddly-winks." I leave it at that, except to say there has been no "tiddly-winks" as far as I and the members of my party and the Country Party are concerned. Mr. White has very firm views on the matter. This is an unfortunate accusation and quite an untrue one.

My advice to the Government is that it should not press this amendment in this House. We should send a message back to the Legislative Assembly saying we disagree with its amendment. That will leave the Government free to carry on with its agreement and do what it intends to do when the environmental protection legislation passes through Parliament.

It might be worth adding that as far as I, personally, am concerned, I want to see the State with legislation for environmental control. Although we might move some amendment to that Bill, that has nothing to do with the principal thought that I want to see the State with legislation of some kind. If the Government gets on with the Bill as it was when it left here, it will not be running any risk, on behalf of the company, that the whole Bill and the agreement will go overboard. No matter how remote that possibility is, it is conceivable that the report may not be submitted to the Government by that date.

I have suggested what the Government could do. In order to strengthen the company's hand when it goes overseas and talks to its partners, the Premier of the State should give the company a letter setting out the Government's intentions and giving the company an assurance—couched in the terms that have been reported to us through the Press and in statements made in another place—that the Government will see to it that the environmental protection legislation is proclaimed and the agreement is referred to the authority for its report. I think that is all that is necessary.

I am therefore disappointed that the Leader of the House has moved that we agree to the Assembly's amendment. In the circumstances which I have explained, I hope the amendment made by the Legislative Assembly will not be agreed to and that the Government will take heed of the genuine advice I have offered in relation to its conduct in the matter.

The Hon. W. F. WILLESEE: I agree with much of what the Leader of the Opposition has said because we supported his amendment in this Chamber without a division. I supported it because I felt that much of the information he gave us was genuinely given. Without having seen the paper, I am sure none of the Ministers in this House made the accusation that was mentioned.

The Hon. A. F. Griffith: That is right.

The Hon. W. F. WILLESEE: Since the further proposed amendment was brought here, I have received assurances which make it clear to me that I have no course open to me but to support the further amendment moved in the Legislative Assembly. It can be said that the Leader of the Opposition put forward a good case regarding the possibilities of this date having serious material consequences in the event of the environmental protection legislation not becoming effective in time to have this report made by the 29th February.

The Hon. A. F. Griffith: Do you know whether the Government received Crown Law opinion on this question?

The Hon. W. F. WILLESEE: No. I have not been able to pursue that matter in the time available to me but I raised it in conversation and was given neither an affirmative nor a negative reply. The company is apparently completely satisfied that it will receive the report within the time specified, at the latest, and possibly earlier. That compels me to take this course. I am compelled to support this measure by the fact that it was mainly at the company's instigation that it was sought to write this provision into the Act.

The Hon. A. F. Griffith: Do you think that when it made the request the company realised there could be a legal risk?

The Hon. W. F. WILLESEE: The company has had time to investigate that matter since I placed the situation before it. The company has greater and quicker access to legal advice than I have. I have not checked the effect of that suggestion but I am in a position to state that since then the company has told me it is happy with the proposed amendment. For that reason, I am prepared to test the Chamber on it. If the further proposed amendment

is agreed to, the company will get what it wants. If the Chamber divides and does not agree to the further amendment, the company will be no worse off than it was when the Bill left here last week.

I could go on and quote what was said yesterday in another place by the Minister in charge of the Bill, but this is a simple issue. If the insertion of the words "such report to be presented to the Premier not later than the twenty-ninth day of February, one thousand nine hundred and seventy-two" will give the company some greater bargaining power in negotiations with people overseas, I think the amendment could be legitimately supported. The company must feel it needs this additional bargaining power and it must place a great deal of importance on the date it has set.

The Hon. A. F. GRIFFITH: I asked the Leader of the House whether the Crown Law Department had been asked to consider the legality of the point I made. I realise time has been short. I do not know whether the company's solicitors have considered the possibility of an illegal situation arising if the report is not made by that date. If they have done so and have become more satisfied or determined that this is what they want, I think they might have informed the Government. In the absence of that information, the possibility I have foreshadowed still exists.

The final word I leave with the Leader of the House is that I am not voting against the Legislative Assembly's amendment with any purpose in mind other than the firm conviction that there may be a doubt and it would be better for the Government to proceed without a doubt of this nature. I hope when the Bill goes back to the Legislative Assembly the Leader of the House will tell his colleague, the Minister for Development and Decentralisation, that I have no other purpose in mind and that "political tiddlywinks"—although I cannot interpret his expression—has not entered my mind.

The Hon. W. F. WILLESEE: I seem to have given many assurances since I have been in this position, and at considerable risk to myself I give that assurance also. The point the Leader of the Opposition raises may or may not be material, depending on the time factor involved in the amendment. I can only conclude that the people who are closely associated with the Bill are perfectly satisfied in their own minds that they will not go beyond this date. In view of the picture of continued delays that the Leader of the Opposition has built up, it is not possible for me to present any sort of argument which might indicate that what he has said is not a real possibility. But let us hope we have reached the last of them and that this project will get moving. Apparently assurances in regard to this amendment have been given at a level at which I was not present but they cause me to support the amendment. I can only say that if this further amendment is carried I hope the company will not be disappointed and the report will be available prior to the date suggested.

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

Ayes—10

Hon. R. F. Claughton	Hon. R. T. Leeson
Hon. S. J. Dellar	Hon. R. H. C. Stubbs
Hon. J. Dolan	Hon. J. M. Thomson
Hon. Lyla Elliott	Hon. W. F. Willesee
Hon. J. L. Hunt	Hon. D. K. Dans *(Teller)*

Noes—16

Hon. C. R. Abbey	Hon. I. G. Medcalf
Hon. G. W. Berry	Hon. T. O. Perry
Hon. V. J. Ferry	Hon. S. T. J. Thompson
Hon. A. F. Griffith	Hon. F. R. White
Hon. J. Heitman	Hon. R. J. L. Williams
Hon. L. A. Logan	Hon. W. R. Withers
Hon. G. C. MacKinnon	Hon. D. J. Wordsworth
Hon. N. McNeill	Hon. Clive Griffiths *(Teller)*

Pairs

Ayes	Noes
Hon. R. Thompson	Hon. F. D. Willmott

Question thus negatived; the Assembly's further amendment not agreed to, and the Council's original amendment insisted on.

Report, etc.

Resolution reported and the report adopted.

A committee consisting of The Hon. A. F. Griffith (Leader of the Opposition), The Hon. F. R. White, and The Hon. W. F. Willesee (Leader of the House) drew up reasons for not agreeing to the Assembly's further amendment.

Reasons adopted and a message accordingly returned to the Assembly.

QUESTION (4): ON NOTICE

1. IRON ORE

Dust Nuisance at Port Hedland

The Hon. J. L. HUNT, to the Leader of the House:

(1) Will a report be issued by the Mines Department regarding the dust nuisance from the iron ore companies operating in the Port Hedland townsite area?

(2) What are the dust counts from all gauging instruments in the area since their installation?

(3) Does the iron ore industry at Port Hedland come under the Clean Air Act?

(4) When can an assurance be given that relief from the dust nuisance can be anticipated?

The Hon. W. F. WILLESEE replied:

(1) I am advised by the Minister for Mines that the Mines Department does not report on dust nuisance generally, but only in respect of a particular mine after such mine has been inspected by a Mines Department Ventilation Officer.

(2) Tabled herewith. (See Paper No. 84).

(3) Yes.

(4) It is impossible to eliminate entirely a dust nuisance in some areas of Port Hedland.

2. ABATTOIRS

Additional Establishments

The Hon. W. R. WITHERS, to the Leader of the House:

With reference to the comments by the Minister for development and Decentralisation at the Pastoralists and Graziers' Association meeting on the 1st December, 1971, concerning the counselling by his departmental officers who advised him that there was a possibility of insufficient future sheep stock to warrant the building of requested abattoirs, would the Leader of the House advise if—

(a) the officers of the Department of Development and Decentralisation obtained information from the Department of Agriculture prior to giving their counsel to the Minister.

(b) the Minister agrees with his officers' advice in view of a table of predicted sheep stock written by Mr. H. G. Niel of the Department of Agriculture on the 28th July, 1971?

The Hon. W. F. WILLESEE replied:

(a) Yes.

(b) Yes. According to the table referred to in the question, Western Australia currently needs killing facilities for approximately 7,000,000 sheep a year. It is estimated that the facilities now operating will process 5,300,000 sheep during this financial year. There is under construction additional facilities at Midland Junction Abattoirs and W.A. Meat Exports which will enable a further 250,000 sheep per annum to be killed. In addition, Katanning Abattoirs will be completed mid-1972 and these have a designed capacity for 1,250,000 sheep a year. Furthermore, there is before the Department a proposal for the Government to support by way of a guarantee an abattoir to be built by the United Farmers and Graziers Association, in association with the T.L.C. This will provide facilities to slaughter 3,800,000 sheep a year.

Other proposals being studied include an abattoir near Pinjarra with an estimated capacity of 625,000 and a proposal for an abattoir at Wanneroo which would have a capacity of 1,250,000 sheep a year.

Summarised, the position is:

Existing facilities	5,300,000
Under construction—Katanning	1,250,000
Additional capacity—	
Under construction—Midland and Robb	250,000
Proposals before Department—	
U.F. & G.A.	3,750,000
Wanneroo	1,250,000
Pinjarra	625,000
Sheep and lambs a year	12,425,000
Excess capacity if facilities planned are constructed	5,425,000

3. PRIMARY PRODUCTS

Marketing

The Hon. D. J. WORDSWORTH, to the Leader of the House:

In view of the interest shown in the television programme "Monday Conference" when Professor Ogg, the distinguished economist from Iowa University spoke to distressed farmers in a New South Wales country town, would the Government consider arranging for such an eminent authority to tour country centres in Western Australia to lecture on methods of marketing agricultural produce and ways of overcoming some of our rural problems?

The Hon. W. F. WILLESEE replied:

Professor Ogg's views on agricultural marketing and rural problems generally have been publicised through Press, radio and television. Also, his publications are available for the guidance of people responsible for economic and marketing policies. Since Professor Ogg makes no claim to the detailed knowledge of Australian production and marketing arrangements which would enable him to operate in a problem solving capacity, it is doubtful that the suggested tour would contribute significantly to the considerable extension effort already being undertaken.

4. MEAT

Marketing of Lamb

The Hon. D. J. WORDSWORTH, to the Leader of the House:

What is the estimated number of producers who market over one hundred—

(a) merino lambs; and

(b) crossbred and British breed lambs,

in Western Australia?

The Hon. W. F. WILLESEE replied:

No reliable estimate is available.

RIGHTS IN WATER AND IRRIGATION ACT AMENDMENT BILL

Second Reading

Debate resumed from an earlier stage of the sitting.

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the House) [5.05 p.m.]: I thank members for their contributions to the debate. There is no substance in the rumour that all drilled holes will be ordered to be cement lined. Percussion and rotary-drilled holes have their respective uses and advantages. The lining of a hole is dependent on the material being drilled. Assurance may be given, therefore, that there is no suggestion to disallow percussion drilling.

With regard to the point raised by Mr. Logan concerning a definition of "subterranean water," as "subterranean water source" means a source of water naturally occurring below the natural surface, it was considered unnecessary to include a definition.

Mr. Logan also asked whether office boys and the like would be able to give authoritative orders. However, having studied the parent Act, he is satisfied this would not be the case. I commend the Bill to the House.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (The Hon. R. F. Claughton) in the Chair; The Hon. W. F. Willesee (Leader of the House) in charge of the Bill.

Clause 1: Short title and citation—

The Hon. G. C. MACKINNON: I thank the Minister for obtaining the information for me. Some rumours seem at times to be started by birds in the trees, and they seem to gain in authority as they pass from mouth to mouth, thus causing a great deal of worry in the industry concerned. I could not envisage that anyone with any sense would enforce such a ridiculous provision, but I thank the Minister for his assurance.

The Hon. W. F. WILLESEE: The document I received containing the information is signed by an authoritative person, and I will hand it to the honourable member in due course.

The Hon. G. C. MacKinnon: Thank you.

Clause put and passed.

Clauses 2 to 6 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

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

FISHERIES ACT AMENDMENT BILL

Second Reading

Debate resumed from the 30th November.

THE HON. G. C. MacKINNON (Lower West) [5.10 p.m.]: I expect this Bill to have a simple and easy passage through this House because a precedent exists for its contents. As a matter of fact, this particular legislation, like a number of other Bills introduced this session were, as one would expect, actually well on the way to being framed at the time of the change of Government. Unlike another recent happening which has had some publicity, this Bill does in actual fact honour a commitment which was made, and I was the one who made it.

The purpose of the Bill is to repeal and re-enact section 35L of the parent Act purely and simply for the purpose of adding a little to it. A number of members will recall we were successful in establishing the Fisheries Research and Development Fund, and it is a matter of some pride to Western Australia that the establishment of this fund led to a significant change in fisheries development and management throughout Australia, because, with the establishment of the fund, the Department of Fisheries and Fauna, certainly in this State, was able to pursue certain developmental programmes, and, indeed, it was able to a certain extent to be independent of the Federal Government.

At one stage the department was cheeky enough to offer to subsidise a programme of the Federal Government. The action taken in this State led to the establishment of similar funds in every other State. Different methods of collecting the money were adopted, but each State did establish a fund. Because of the increase in the management and control of fisheries and an increase in interest throughout Australia, it became obvious that an organisation was necessary to speak on behalf of the industry.

When I was speaking to a man in the Eastern States on one occasion he made me cross because he said we should not worry too much about the fishermen because they could not talk with one voice anyway. This annoyed me a little and I became rather active in my efforts to ensure that such a body was established.

I believed then, and I still do, that this is an important industry, and over the years when I had a more authorative part to play in it, on every occasion I appealed to this House on behalf of the industry I received the unequivocal support of all members. Section 35L(3) reads—

> The moneys from time to time in the Fund may be used and applied by the Minister only for all or any of the purposes of scientific, technological or economic research in relation to fisheries, or in the investigation,

exploration and development, and the provision of extension services, relating to fisheries.

The provision to replace this subsection reads—

'(3) The moneys in the Fund may be used and applied by the Minister in such manner and in such proportion as the Minister thinks fit for all or any of the following purposes—

(a) scientific, technological or economic research in relation to fisheries;

(b) investigation, exploration and development of fisheries;

(c) the provision of extension services related to fisheries;

Those provisions replace the ones being repealed. The following is the additional provision being inserted:—

(d) assisting—

(i) the fishing industry; and

(ii) any body, whether incorporate or not, whose objects include assistance to, or promotion of, the fishing industry,

and not otherwise.

The particular group I wish to assist is an organisation known as AFIC. I shall refer to a recent copy of *The West Coast Fisherman* dated October, 1971, which is published by Markwell Ross Fisheries Pty. Ltd. The editor of the magazine is the erstwhile Director of Fisheries, Mr. A. J. Fraser. The article is under the heading, "AFIC Emerging as Force in Fisheries." The first paragraph reads—

> The year 1971 marks the fourth anniversary of the creation of the Australian Fishing Industry Council (AFIC). This body was one important outcome of the Australian Fisheries Development Conference in Canberra in 1967 and branches have since been established in all States.

It goes on to say how this organisation has bourgeoned and developed in the useful task it has undertaken. In the past it has given good service to the State in that members, at considerable expense to themselves or to their companies, have travelled to the Eastern States and brought back reports. These reports have always been transmitted to the department and hence to the Government, affording it considerable assistance. The year before last a couple of members went to Norway on an investigation of netting and fish finding with sophisticated gear. If these developments occur along our coastlines we will have at least two people who will know something about it. To some extent they made the trip at their own expense. It was therefore believed that some assistance should be given. At all costs we want to avoid these people pulling out. The organisation is established and is an asset to the industry. As I said, it has spread Australia-wide to the very great benefit of the industry. I believe assistance would be in the interests of the industry.

After all, this money has not come from State revenues, but has been paid in by the fishing companies themselves. For every piece of fish taken into the plants three-quarters of 1 per cent. of the basic price of that fish is paid in. The money belongs, in effect, to the fishing industry but is administered by the Fisheries Department at the discretion of the Minister.

As it is not utilising State funds in any form—I believe $120,000 was paid in last year—in my opinion it is only just that the organisation should be assisted in the way suggested by the measure before us. I have much pleasure in supporting the Bill.

THE HON. R. H. C. STUBBS (South-East—Minister for Local Government) [5.18 p.m.]: I wish to thank Mr. MacKinnon for his contribution to the debate. What he has said coincides exactly with the opinion expressed to me. Therefore, rather than delay the proceedings, 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. R. H. C. Stubbs (Minister for Local Government), and passed.

ABATTOIRS ACT AMENDMENT BILL (No. 2)

Second Reading

Debate resumed from the 1st December.

THE HON. C. R. ABBEY (West) [5.22 p.m.]: This Bill is small in size but it has large implications. The intention of the measure is to add another member to the Midland Junction Abattoir Board. In clause 2 it is quite apparent the intention is that the additional member of the board shall have regard for the interests of workers engaged in the abattoir industry.

Of course I understand this is in line with Government policy, but I fear it is not in line with the policy of the party I represent. The principle is one which could be quite dangerous if continued throughout all the boards now in existence in Western Australia. It would set a precedent which would be, in my opinion, totally unacceptable to most producer representatives and organisations.

If the measure is accepted by this Chamber it would create a situation whereby workers in the industry would be quite entitled to expect that the additional member on the board should protect their interests and, in the main, act on them. This is not the function of a board.

A board, such as the Midland Junction Abattoir Board, is charged with great responsibility. After all, the board controls a large undertaking. The manager of the works is also a member of the board.

Since Mr. Wilson has been appointed Manager of the Midland Junction Abattoir Board it has been recognised that he has achieved a great deal in bringing about a much better situation with the work force than existed previously. It seems he has been extremely successful in this respect. In fact he has held monthly conferences and I can see no reason for upsetting this arrangement by appointing to the board a workers' representative.

I point out to the House that management has an entirely different function from that of the work force. It is a policy-making body which has regard, first of all, to the export standards it must meet. This, in itself, has caused a great deal of strife and expense in the past year or two. As a result of additional capital outlay there is every reason to fear that slaughtering charges for the various types of meat handled by the abattoirs could conceivably rise.

If a workers' representative sits on the board the workers may feel they are entitled to put extra pressure upon management for wage benefits and other improved conditions. This would add to the total cost and could have extremely detrimental effects. I fear this could well happen. The workers are human and would expect to receive greater consideration, particularly in regard to wage claims, than formerly through having a representative on the board.

Further, this could create an imbalance between like industries and I think it is a dangerous principle to adopt. I have no quarrel with the union representatives in the abattoir putting forward cases. They always receive reasonable hearings. With the monthly conferences they now have a voice in affairs. This did not happen previously and doubtlessly former managements were at fault. It is quite obvious that with the change of management a much better relationship now exists. As I said before, this should be given an opportunity to work to see if it is a suitable solution. If it is necessary the board of management of the abattoir could institute further consultation with the workers.

In the Minister's introductory speech he made long reference to the fact that when new chains were introduced into the works a great deal of adjustment had to be made by the workers. The teams who worked the chains found many difficulties. In the words of the Minister it was, "a new, modern contraption." There is no reason to have a workers' representative on the board to overcome these types of problems. I feel they could easily be overcome by a conference, provided both sides are well intentioned. As I have said, conferences have been held on a monthly basis. They could be held even more frequently if it is found necessary.

Another point which militates against the present proposal is that the Minister for Agriculture has made it obvious that he is having examined a proposal, which has been put forward many times, for a statutory authority to be set up to control meat marketing, and the abattoirs—in fact, to control everything to do with meat.

If the lamb marketing Bill passes it is obvious that changes will be needed, and the setting up of an overall statutory authority to handle abattoirs would be a very great advantage. In my opinion this is no time to be changing the composition of the Midland Junction Abattoir Board. If a statutory board is set up to handle the situation the Midland Junction Abattoir Board would not be needed. The Midland Junction Abattoir Board and Robb Jetty Abattoir are Government abattoirs and the manager of these would be responsible to a statutory body charged with the overall authority. If this takes place in the near future, and I sincerely hope it does, the Midland Junction Abattoir Board will be redundant. If there is such an overall policy for the meat industry generally it will be a great advantage to the producer and to all who handle meat. We have a chaotic situation here at the moment; this is recognised by the Government and it intends to do something about it.

While this further investigation of the proposals is being carried on by the committee set up by the Minister for Agriculture, it would be just as well to halt any change in the operation of the boards. On this basis I oppose the Bill.

Debate adjourned, on motion by The Hon. G. C. MacKinnon.

RESERVES BILL

Second Reading

Debate resumed from the 1st December.

THE HON. G. W. BERRY (Lower North) [5.33 p.m.]: This Bill is one which comes to Parliament each year for its approval. It concerns alterations to the existing Class "A" reserves and can only be effected by an Act of Parliament. To

members who may not be aware of it, the relevant part of the Land Act, section 31, says—

> . . . the Governor may, by proclamation, and subject to such conditions as may be expressed therein, classify such lands as of Class A; and if so classified, such lands shall for ever remain dedicated to the purpose declared in such proclamation, until by an Act of Parliament in which such lands are specified it is otherwise enacted.

This is the reason that this Bill is brought before Parliament each year. It is a vital requirement to the people of the State as members have an opportunity to peruse the proposed alterations to make sure they do not conflict with the requirements of other bodies and that they are in the best interests of the State.

The Minister for Lands has prepared notes on the reserves to lay on the Table of the House. Any member who has time to read them will find they are self-explanatory and reasons are given for each excision which is made and land which is vested in other bodies. I do not see any point in going through each of them individually.

The actual amount of land which is being excised from Class "A" reserves is not very great out of the total of 1,716 acres 2 roods and 9 perches. I arrived at these figures with much difficulty as it is a long time since I have had occasion to use such figures of measurements.

Out of the total of 1716 acres 2 roods and 9 perches there are 12-3/10ths perches excised for private use in Narrogin as the Narrogin Club wished to extend its premises. One acre 8-2/10ths perches was excised for the Metropolitan Water Supply, Sewerage and Drainage Board for drainage. That was taken from a 404-acre 1 rood 20-perch reserve. Another area excised is 1 rood 31 perches for a kindergarten and child health centre to be built by the City of Nedlands.

Members will see, therefore, that all the land excised except the 12-3/10ths perches will be under the control of a Government or semi-Government authority. In other cases land has been taken from one reserve to another to tidy up an area. I can see no ulterior motive for any one of these proposals. Every alteration appears straightforward in view of the explanations which have been given.

One thing which did concern me is the effort required to arrive at the measurements. In clause 2 it states that an area was reduced to 1 rood 6-7/10th perches. It is quite some time since I attended school but we learned that 12 inches makes one foot, three feet make one yard, 5½ yards make one rod, pole, or perch, and four rods, poles, or perches, make one chain. Ten chains make one furlong and eight furlongs or 80 chains make one mile. Mr. Dolan might remember this.

The Hon. J. Dolan: You know the story about a half-acre?

The Hon. G. C. MacKinnon: We have heard the story of the two acres.

The Hon. J. Dolan: It is two rood.

The Hon. G. W. BERRY: It becomes more complicated when we progress to square measurements. One square foot is 144 square inches. One square yard is nine square feet. According to these measurements I have, 30¼ square yards make one rod, pole, or perch. When I went to school it was one square rod, pole or perch and 40 square rods poles, or perches made one rood. That is fair enough and it is not a very difficult equation. We have squared the perches and the result is a rood. A rood is a measurement of area which can only be converted into acres.

To make it more confusing instead of having rods, poles, and perches, and then squared rods, poles, and perches, we now drop the word squared. So that by common usage if we have an area of 6-7/10ths perches it is accepted as a square measurement whereas in actual fact it should be a linear measurement. This proves one thing conclusively to me and that is the sooner we convert to the metric system the easier it will be for people to determine how much land will be taken from any particular reserve. I support the Bill.

THE HON. R. H. C. STUBBS (South-East—Minister for Local Government) [5.42 p.m.]: I wish to thank Mr. Berry for his contribution to the debate. His observations are correct; there is nothing ulterior in the motives behind this Bill. This legislation is necessary and is introduced every year.

I congratulate him on his research. With reference to Mr. Dolan's comment of half an acre being two rood, I remember on the goldfields some years ago there was an area in Fimiston where they had six hotels. This area was called the "dirty acre".

As Mr. Berry has said we need not worry too much about the measurements at this time because we will soon be using the metric system. I thank him for his contribution and 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. R. H. C. Stubbs (Minister for Local Government), and passed.

JUSTICES ACT AMENDMENT BILL

Second Reading

Debate resumed from the 1st December.

THE HON. I. G. MEDCALF (Metropolitan) [5.45 p.m.]: This is a very short Bill and I will deal with it very briefly. It provides that the period of remand which at present is set down at eight days, if not observed, shall be extended legally. This is based on a recommendation made by the Law Society and a remand may now be made to the actual date of hearing, thereby continuing the present practice. This is a sensible proposal and is one which I support.

Under present practice where the defendant does not appear, the procedure may be modified to the extent that affidavits may be received by the justice of the peace in support of matters alleged in the complaint.

The House will recall that the 1969 Act was amended to enable affidavit evidence to be given in the case where the defendant does not appear. Prior to this, particularly in traffic cases, it was usual for there to be a conglomeration of police officers in the Traffic Court who were required to be present and give evidence in case the defendant appeared.

This meant that on the mornings on which the Traffic Court was sitting there were no patrolmen on duty and this proved most embarrassing to the Police Force. Accordingly, the legislation was amended to enable sworn evidence to be taken by affidavit rather than have so many policemen present in court. This is quite sensible and I support the move.

The purpose of the present amendment is that affidavits may be sworn before officers of the court—clerks, and so on—as well as before justices of the peace, which we have already permitted in earlier legislation.

In connection with the amendment to section 135 I would briefly draw the attention of the Minister to the comments I made and which are recorded in Volume 2 of *Hansard* for the year 1968-1969. The comments were actually made on the 12th September, 1968, and they appear at page 1066.

At that time I suggested that whilst this procedure was quite satisfactory in the case of defendants who did not appear, there was some doubt about the case of those who did appear because of the wording of the summons.

The summons prescribes that a complaint has been made and the defendant is commanded to appear at the Police Traffic Court on such and such a day at such and such an hour before the justices to answer the complaint.

A citizen who takes some heed of his responsibilities would appear in answer to a summons; he would not ignore it. Many citizens appear and as long as they do appear and plead guilty, there is no problem for the police. But in the event of their pleading not guilty, the police immediately adjourn the case. Accordingly, having complied with the request to appear, the defendant is told when he comes to the court to go away and that he will be recalled later because he pleaded not guilty.

I think there should be a simple endorsement on the summons asking the defendant whether he is going to plead not guilty in order that the case might be adjourned to a later date if he intended so to plead. This would avoid his having to appear twice.

The Minister for Justice to whom I made the request at the time of the last amendment to the Act said he would take the matter up with the Crown Law Department and we would hear further about it. I have not heard anything further about it, and the form has not been changed. Accordingly, I draw the attention of the Minister to this aspect because in the interests of the public I think it would be desirable that we should know whether anything is going to be done about the matter.

The only other amendment in the Bill is to equate the imprisonment provisions with monetary penalties based on today's money values. Whereas the term of imprisonment for default in payment of the fine was one day for $2, it is now to be one day for $5. This is reasonable in view of the present-day money values. I support the Bill.

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the House) [5.51 p.m.]: I thank the honourable member for his support of the Bill and particularly for his having drawn attention to section 135. I appreciate the suggestions he has again put forward.

I give an assurance that I will draw the attention of the Attorney-General to the remarks made by the honourable member because they seem sensible and reasonable.

The suggestion he made would help considerably those people who appear at the court intending to plead not guilty and who find that they are turned away because they have pleaded not guilty. Apparently everything is all right if they plead guilty because then the case proceeds.

Because of the form in which the warrant is filled in, I think the onus should rest with the prosecutor to proceed with the summons even in the event of a man pleading not guilty.

With those remarks, and with the assurance I have given the honourable member, 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. W. F. Willesee (Leader of the House), and passed.

WESTERN AUSTRALIAN INSTITUTE OF TECHNOLOGY ACT AMENDMENT BILL

Second Reading

Debate resumed from the 1st December.

THE HON. R. J. L. WILLIAMS (Metropolitan) [5.56 p.m.]: I will not hold the House up long because this is a very simple and non-controversial Bill which deals with the Western Australian Institute of Technology. It is only our second tertiary institution in this State and may I say it is indeed a very succesful one.

As with all new institutions, however, things must be looked at and updated from time to time. In his second reading speech the Minister said that there were four main objectives, the first of which is to provide a more appropriate procedure to fill casual vacancies. Rather than bother the Governor or wait on his pleasure, this will be done by election, as before.

The second proposal is simply to renumber the appropriate section of the Mental Health Act, because that Act has been amended and must be renumbered. The third proposition is to remove any doubt as to the legality of the superannuation scheme at the institute. People collect from various institutions to fill staff vacancies at the institute and the amendment will mean they will have an opportunity to join whichever superannuation scheme they might prefer—whether it be the institute's scheme or the Public Service scheme, if they happen to have come from the Public Service. Their full rights will be guaranteed.

Finally it is proposed to put right any doubt that might have been expressed recently. The amendment to the principal Act will provide for the transfer of compassionate, marriage, and retirement allowances. As I have said, there is nothing controversial in the Bill and I commend it to the House.

THE HON. J. DOLAN (South-East Metropolitan—Minister for Police) [5.58 p.m.]: After listening to the concise and lucid explanation given by Mr. Williams of a Bill which is noncontroversial it is a delight and a pleasure to commend the measure 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.

ADJOURNMENT OF THE HOUSE: SPECIAL

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the House) [6.00 p.m.]: I move—

> That the House at its rising adjourn until 11.00 a.m. tomorrow (Friday).

Question put and passed.

House adjourned at 6.01 p.m.

Legislative Assembly

Thursday, the 2nd December, 1971

The SPEAKER (Mr. Norton) took the Chair at 11.00 a.m., and read prayers.

INDUSTRIAL LANDS DEVELOPMENT AUTHORITY ACT AMENDMENT BILL

Introduction and First Reading

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

STATE FORESTS

Revocation of Dedication: Motion

MR. H. D. EVANS (Warren—Minister for Forests) [11.04 a.m.]: I move—

> That the proposal for the partial revocation of State Forests Nos. 21, 27, 49, 58 and 65 laid on the Table of the Legislative Assembly by command of His Excellency the Governor on the 19th November, 1971, be carried out.

Question put and passed.

Resolution transmitted to the Council and its concurrence desired therein, on motion by Mr. H. D. Evans (Minister for Forests).

CONSUMER PROTECTION BILL

Third Reading

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