Legislative Council

Tuesday, 9 November 1982

The PRESIDENT (the Hon. Clive Griffiths) took the Chair at 4.30 p.m., and read prayers.

BILLS (4): ASSENT

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

1. Acts Amendment (Reserves) Bill.
2. Land Amendment Bill.
3. Land Amendment Bill (No. 2).
4. Borrowings for Authorities Amendment Bill.

QUESTIONS

Questions were taken at this stage.

STATE FORESTS

Revocation of Dedication: Motion

THE HON. G. E. MASTERS (West—Minister for Labour and Industry) [4.46 p.m.]: I move—

> That the proposal for the partial revocation of dedication of State Forests Nos. 14, 22, 25, 27, 28 and 34 referred to in Message No. 107 from the Legislative Assembly and laid on the Table of the Legislative Council on 12 October 1982, be implemented.

This motion is in accordance with section 21 of the Forests Act 1918-1976 which provides that a dedication of Crown lands as a State Forest may be revoked in whole or in part only by a resolution passed by both Houses of Parliament. The required procedures have been completed in the Legislative Assembly and this House is now asked to concur. In this instance seven areas of State Forest are being submitted to members for consideration. I shall briefly describe these areas and provide reasons for the intention of partial revocation of their dedication. More detailed particulars, including plans of the areas involved, are contained in the tabled papers.

Area No. 1 is an area of 1.6130 hectares adjoining the southern boundary of Dwellingup townsite in exchange for an area of 1.6523 hectares of vacant Crown land within the townsite.

This exchange proposal resulted from a request by the Shire of Murray for the release of land for residential development. The area of State forest supports a poor quality jarrah and marri forest and has a soil type of shallow gravel with much exposed surface or cap rock. There is evidence of the presence of dieback infections in the area.

The area of vacant Crown land supports a forest of high quality and is apparently free of dieback infection. It adjoins State forest on its north and eastern boundaries. All costs in relation to the exchange will be borne by the Department of Lands and Surveys.

Area No. 2 comprises about 26 hectares located approximately one kilometre west of Karragullen townsite, to be exchanged for Nelson location 12248 which has an area of 70.1472 hectares.

The disparity in size of the two areas for exchange is due to the fair market values assessed by the Valuer General's office. Nelson location 12248 is valued at $80 000 and the portion of State forest at $91 000. The applicant has agreed to pay the difference in value of the two areas.

The applicant is the manager of a cartage contracting company which specialises in carting road base materials. He has proposed the exchange in order to obtain further supplies of gravel. The area of State forest forms a salient into private property and as such presents some management problems. It supports a jarrah forest which is dieback infected and poor in quality.

Nelson location 12248 has been cut over in the past for sawlogs and now supports some karri poles and marri woodchip materials. Apart from a small area of swamp flats it contains soils which are suitable for a karri sawlog crop. The acquisition of this property would rationalise the State forest boundary and improve forest management in the area.

The proposed exchange will be of mutual benefit to the applicant and the Forests Department.

Area No. 3 comprises two areas which total about 15.6 hectares located approximately 18 kilometres south-west of Collie townsite to be exchanged for Wellington location 3675 which has an area of 9.3912 hectares.

The portions of State forest form salients into the applicant's property and are a difficult management proposition. The areas carry some good stands of jarrah, blackbutt and marri which would be removed prior to finalisation of the exchange. Exchange of the areas would rationalise the forest estate/private property boundary and assist the applicants by consolidating their holding.

Wellington location 3675 is surrounded by State forest which is under quarantine restrictions. Acquisition of this property would improve forest management in the area, particularly in re-

gard to prescribed burning operations and protection of the forest from the spread of disease. The exchange areas have been deemed by the Land Purchase Board to be equal in value.

The proposed exchange will be of mutual benefit to the applicant and the Forests Department.

Area No. 4 is an area of about 37.5 hectares located approximately four kilometres south-west of Donnybrook townsite to be exchanged for portion of Nelson location 870 which has an area of 37.5068 hectares.

The area of State forest contains very little merchantable timber following sawlog removal and a cyclone "Alby" fire in 1978. Soils on the area are highly susceptible to dieback infection. Exchange of the area would alleviate fire control difficulties, provide a more manageable forest boundary and consolidate the applicant's holdings.

The portion of Nelson location 870 supports a forest of higher quality than the area of State forest proposed for excision and apart from a small area in the south of the block it contains soils which are resistant to dieback infection. The acquisition of this property would link State forest located south of Jayes Road with land standing registered in the name of the Conservator of Forests located north of Jayes Road and, in so doing, complete a broad strategic and fire protection buffer to the east of Balingup pine plantation.

The proposed exchange will be of mutual benefit to the applicant and the Forests Department.

Area No. 5 comprises about 170 hectares located some four kilometres south-west of Donnybrook townsite to be exchanged for an approximately equal area comprised of Preston agricultural area lot 183 and portion of Preston AA lot 184.

Although the area of State forest has a considerable volume of marri woodchip material it contains very little merchantable jarrah, having been clear cut for dieback about six years ago. The forest is poor in quality with about 43 per cent of the exchange area dieback infected and the remainder susceptible to infection due to several tracks in the area. The area contains poor quality soils with numerous boulders. It has a low forest potential and would be more suited to agriculture.

Preston AA lot 183 and part lot 184 are suitable for *pinus radiata* in regard to both soils and topography and have a high strategic value, being adjacent to Thomson Brook pine plantation.

The proposed exchange will be of mutual benefit to the applicant and the Forests Department.

The PRESIDENT: Order! I ask honourable members to resume their seats while the Minister is addressing the Chamber.

The Hon. G. E. MASTERS: Area No. 6 is an area of 12.12546 hectares located about two kilometres north-west of Nannup townsite requested by the Shire of Nannup in order to reestablish the boundaries of sanitary site Reserve No. 18972. The area carries very little merchantable timber, is partially cleared, and currently is being used by the shire for rubbish disposal.

The portion of Reserve No. 18972 not required has an area of approximately 4.5 hectares, is well forested, and screens the sanitary site from the view of travellers using Mowen Road. It is to be included as an addition to State forest. As the boundaries of the area proposed for excision and Reserve No. 18972 overlap slightly, the reserve will first be cancelled and the area contained therein included in the adjoining State forest. The excision can then proceed to enable the area to be set aside as a reserve for the purpose of a "sanitary site".

Area No. 7 comprises 3.0682 hectares adjoining the north-eastern boundary of Wheatley townsite. This area, together with the majority of the townsite, will be reserved for the purpose of "tourism and recreation". The area has little forest value and contains a dam which provides the water supply for the Wheatley townsite.

I commend the motion to the House.

Debate adjourned, on motion by the Hon. J. M. Brown.

CHILD WELFARE AMENDMENT BILL (No. 2)

Second Reading

THE HON. LYLA ELLIOTT (North-East Metropolitan) [4.56 p.m.]: I move—

That the Bill be now read a second time.

The United Nations Declaration of the Rights of the Child 1959, principle 9, states—

> The child shall be protected against all forms of neglect, cruelty and exploitation. He shall not be the subject of traffic in any form. The child shall not be admitted to employment before an appropriate minimum age; he shall in no case be caused or permitted to engage in any occupation or employment which would prejudice his health or education, or interfere with his physical, mental or moral development.

Throughout history unscrupulous people have always been prepared to exploit children for a variety of reasons, the major one being for financial gain.

Although most countries of the world have laws to control child labour, figures collected by the International Labour Organisation show that employment of children is growing. In 1979 about 52 million children under 15 years were working, one million of these in the developed countries.

While it could be said that legislation exists throughout Australia which provides sound basic principles for the protection of children, there is a constant need for review and updating so that it has relevance to changing situations. Legislation covering employment of children should include provisions to ensure the protection of children from exploitation while at the same time preserving their right to engage in employment in appropriate circumstances.

The present Child Welfare Act goes part of the way in meeting these criteria but it is deficient in respect of the employment of children in the entertainment industry. This Bill is designed to correct that deficiency.

When this Act was amended in 1976 the Government deleted section 108, which included reference to employment of children in the entertainment industry.

The significance of the 1976 amendment was not realised until Actors and Announcers Equity Association of Australia was confronted with a situation of children being worked long hours in a pantomime. Six girls aged from 14 down worked an average of 44 hours a week for 21 days straight on top of their six hours a day in school, making a total of 74 hours a week without a break.

When Actors Equity checked the legislation governing employment of children it discovered that not only had section 108 been deleted from the Child Welfare Act, but also when the Industrial Arbitration Act was rewritten in 1979 the definition of "worker" was replaced by "employee" and reference to age was dropped. Under the old provision the definition of "worker" included the term "any person of not less than fourteen years of age" but that was deleted when the new definition of "employee" was substituted.

Clause 3 in the Bill before the House inserts two new sections, 108 and 108A, under part VII of the Act, which deals with restrictions on employment of children.

Proposed section 108—

provides that a person cannot employ a child in an entertainment, exhibition or to offer anything for sale, who does not have a licence from the Minister;

excludes street trading which is already covered under section 106;

exempts occasional entertainment where the proceeds are for the benefit of a school or charitable object;

refers to children 14 and under—unless for pornographic purposes when it would apply up to and including 17 year olds;

gives the Minister power to exempt under certain circumstances;

defines what is meant by "employment" of the child; and

provides a penalty of $1 000 for an offence against this section and $5 000 or imprisonment for three years or both where the child is employed for pornographic purposes.

Proposed section 108A, which deals with the children's employment licence—

defines "child" for the purpose of the employment licence, excluding children of 15 and over or those with exemption from school, from the need to obtain a licence;

gives the Minister power to issue a licence specifying the nature of the employment, conditions and times etc.;

states a licence shall not be granted unless the Minister is satisfied the child is fit to be employed and proper provision has been made to safeguard the health, welfare and education of the child; and

forbids employment between 11.00 pm and 7.00 am.

Child welfare legislation in other States includes protection for children employed in the entertainment industry. The New South Wales Community Welfare Act 1982 is probably the best and most up to date and in fact the wording of my Bill has, by and large, been taken from that Act.

In Victoria the Community Welfare Services Act includes in the definition of "employment of children" any form of entertainment such as singing, dancing, acting or playing any musical instrument or similar performance and appearance in any broadcast or telecast programme not in the nature of a news item. Under the Act it is an offence for any person to cause, procure or allow a child who is not the holder of a permit or licence to engage in this employment.

The Queensland Children's Services Act makes it an offence for any person who counsels or procures or allows a child who is not the holder of a permit to be employed as a performing artist for radio, film or television, as a model for advertising, or in any display or in any place for public entertainment.

In Tasmania the Child Welfare Act contains quite an extensive part on the protection and regulation of employment of children. This part of the Act gives the Minister authority to declare any public entertainment or class of entertainment to be restricted in respect to employment of children. Any person who causes, procures or allows a child to be employed in such restricted entertainment without a permit so authorising the child and specifying conditions, etc., commits an offence.

To return to the Western Australian Act: While it could be said that other sections give the Minister and the department certain powers to act where a child is suspected to be "in need of care and protection", they are not sufficient to prevent undesirable situations occurring as already evidenced by the pantomime mentioned earlier.

Section 109 authorises any officer of the department to enter any theatre, etc., to investigate the employment of children but imposes only a mere $20 penalty on a person who obstructs the officer concerned in his inquiries. In any event it is far better to spell out in the Act the requirements of any potential employer rather than wait for the department to have its attention drawn to an undesirable situation and then having to argue about whether it constituted a danger to the child's mental or physical welfare.

I would point out also that the Government has seen fit to retain the special provision under part VII of the Act for children employed in street trading. As the entertainment industry is growing, particularly with film and television productions, it is equally important to specify whether children can be employed in this industry and under what conditions.

I am advised that prior to the introduction of the protective legislation in New South Wales some years ago there was considerable exploitation of children there who were required to work long hours for low rates of pay. It applied to both stage and television productions, including commercials.

Unfortunately there is no guarantee that parents can be relied upon to protect their children in such cases. As one person in the industry stated to me, "Some parents are more concerned with fame and fortune than with the child's immediate welfare and if there is no legislation the child gets a raw deal." This occurs only too often.

There is every possibility that the film industry is again on the verge of a boom and this gives added reason that Western Australia should not be out of step with the other States in providing protective legislation for children employed in this industry.

In film and television productions a lot of money is spent in a short time and there is pressure on producers to get the job finished as soon as possible. The entrepreneurs have to be made to understand that children cannot be expected to work under the same pressure and for the same long hours as that expected of adults, without it adversely affecting them.

The Bill includes another principle which reflects the growing community concern about the exploitation of children in pornography. I believe it is extremely important that any legislation dealing with child welfare includes severe penalties as a deterrent to this repugnant practice.

During the 1960's and early 1970's legal controls on the production of pornographic literature were relaxed throughout the western world. Since then pornography has grown into a multi-million dollar business. Although certain restrictions still exist in respect to the age of readers, little attention appears to have been given to the possible exploitation of children in producing it.

The situation in Australia is nowhere near as serious as that in other countries, particularly the United States, but there is evidence of both a market for child pornography and an attempt to exploit children in this country for this purpose. I am advised that "sex shops" in Perth receive regular requests for this material, and there are reports of sexually abused children in this State having been photographed in obscene positions.

While the incidence of such reports may not be extensive, it could be said that the extent of child sexual abuse also was not realised until relatively recently. There is a danger that the purveyors of pornography will exploit the increasingly tragic unemployment situation of young people in this country.

The *Daily News* of 22 December 1981 carried a story headed "Job ads lure children into porn" in which it was stated children were being lured into posing as pornographic models by deceptive job advertisements in Melbourne newspapers. Job Watch, an employment watchdog group set up with State Government backing, was quoted as saying children were being asked to pose for pornographic photographs or to take part in porno-

graphic video films. The article went on to quote actual cases.

I feel sure all members of this House would agree with me that it is our responsibility as legislators to take all steps possible to prevent the exploitation of children in any form. This Bill is directed towards removing a glaring omission in the present Child Welfare Act, in order that we may strengthen that protection.

I therefore commend the Bill to the House.

Debate adjourned, on motion by the Hon. Margaret McAleer.

ELECTORAL AMENDMENT BILL (No. 2)

Second Reading

Debate resumed from 2 November.

THE HON. ROBERT HETHERINGTON (East Metropolitan) [5.08 p.m.]: The Opposition will not oppose this Bill but it does find it a little deficient and I want to say why this is so.

I must say that the Chief Secretary has acted with some alacrity in allowing people not to vote. I wish he would act with the same alacrity by improving the situation under the Electoral Act to help people to be able to vote.

One of the matters this Bill brought to my attention and which caused me to read section 156 again very carefully is that it amends paragraph (a) of subsection (16) to state—

> . . . "valid and sufficient reason" shall include an honest belief on the part of an elector that abstention from voting is part of his religious duty . . .

Earlier, the section states that if a person's name is not on the roll he will receive a notice saying that he has apparently failed to vote and would he please fill in the attached form—and the Chief Secretary can tell me if I am misreading the Act—but nowhere does the form allow him to state that he did vote. The form apparently allows the person to state the true reasons why he failed to vote but does not allow him anywhere to state that he did vote.

People should be given that option, particularly in view of some of the recent happenings in this House when some people who did vote received such a form, and people who receive such a form cannot say they voted; they have to say why they did not vote and give the true reasons.

Despite the fact that the Act might have worked in the past, there is a potential for abuse. If I forget to vote—I did once on a referendum for daylight saving—instead of writing in and saying "My true and valid reason is that I forgot" and being fined, can I now say "I have a religious objection to voting on daylight saving because I am a sun worshiper"? All this Bill says is, "shall include an honest belief on the part of the elector . . ." We should do better than this.

Under the present Industrial Arbitration Act when we had a preference to unionists clause, at least a person who had a conscientious objection to joining a union had to give some evidence of his sincerity. Under that clause he had to pay to a charity a sum equal to the subscription to the union. However, a person who has a conscientious objection to voting does not have to do anything except sit and wait until he receives a form and then write in and say he has a conscientious objection to voting.

It would be a much better way of managing the Act to say that a person who registers—and perhaps we should amend the registration card—should be able to indicate on that card that he has a conscientious objection to voting. With computers, people who do not vote may have their cards run through the computer and it could say there is no need to write to those people or throw them off the roll for failing to answer because they were in motion in the Pilbara and found it difficult to receive the letters. Nothing would be done. That person would be registered as a conscientious objector to voting. I think the Chief Secretary should do this.

In other words, I am not disagreeing with the principle of the Bill; therefore the Opposition will not oppose it because the intention of the Bill is quite good. However, we do feel that despite what may have worked in the past, the Minister might have come up with something a little more sophisticated which would allow his electoral officers to use their computers.

That would allow the Electoral Department to save time, man hours and stamps by not having to write to people who had already registered their conscientious objection. Of course, it would give people the chance to include this claim if they so wished.

I am not sure what a conscientious objector is. I do know that Jehovah's Witnesses are conscientious objectors because every now and then I knock on doors when I am canvassing or trying to get people on the roll or for various other things a parliamentarian does. At various times I am informed by some people that they do not vote so I am wasting my time. They sometimes say they are Jehovah's Witnesses and they do not vote for man-made Government.

In such a case I press my pamphlet on them and say that I will be their member after the elec-

tion and they may want some help from a member of Parliament at some time. I give them my pamphlet and my phone number.

The Hon. R. G. Pike: Very charitable.

The Hon. ROBERT HETHERINGTON: Just because they do not want to vote for me does not mean I do not regard myself as their representative; the same applies of course, with those people who vote against me.

The Chief Secretary should turn over this matter in his mind after Parliament gets up in case he may be in a position to do something about the Bill next year.

The Hon. R. G. Pike: This matter was very fully considered; I will answer that point.

The Hon. ROBERT HETHERINGTON: I will be interested in the answer. I am simply putting my views and criticisms. The Minister may convince me—I am hoping the day will come when he does.

The Hon. R. G. Pike: Hope springs eternal.

The Hon. ROBERT HETHERINGTON: In the meantime, we could do a bit better than this Bill. The Opposition applauds the intent, and will vote for the principle, but has some worries about the method.

THE HON. GARRY KELLY (South Metropolitan) [5.16 p.m.]: The Opposition will not oppose this Bill; in fact, the amendment to section 156 (16) in itself is quite laudable. When one considers section 156 as a whole however, it is like rearranging the deckchairs on the *Titanic*.

The Hon. R. G. Pike: Like the Labor Party now having an argument in the engine room of the *Titanic*.

The Hon. GARRY KELLY: Subsection (15) of section 156 is an odd provision in a section designed to make people vote. It assumes an elector who does not respond to the correspondence mandated by section 156 no longer lives at the address shown on the roll and that person's name therefore is struck off. I submit that it is not the business of the Electoral Department to go around striking people off the roll on the basis of such flimsy evidence. It should be the department's role to make it as easy as possible for people to get on the roll and to stay on it. A person's name should be struck off the roll only if he no longer lives at the address shown on the roll.

The Hon. P. H. Wells: What happens if he is on twice?

The Hon. GARRY KELLY: If he is on the roll and not living at the address shown, he should be struck off for that address. Failure to answer correspondence is not sufficient evidence to say that he is not living there. The Electoral Department is so understaffed and underfunded that it is in no position to do a door-to-door canvass and to make sure that people whose names appear on the roll for a particular address in fact live at that address. Until the Electoral Department takes some steps physically to determine whether a person lives at the address shown, I do not think it has the right to strike a person off the roll.

Earlier this year I asked the Chief Secretary some questions about this matter, and the penalty for not voting in this State. The form 40 mandated under subsection (15) requires a person in many ways to incriminate himself. If a person does not have a valid excuse, he will be fined $10. If a person does not have a valid excuse he will not fill out the form because he knows he will be fined. Human nature being what it is, he will probably forget about it, put the form aside, or throw it away. He is then struck off the roll; but he is still living at the address and should be enrolled. It is a requirement that he be enrolled but he is struck off by the department.

The Hon. N. E. Baxter: Are you advocating people should not answer correspondence?

The Hon. GARRY KELLY: No, I am not. I am saying the department should have the funds to make sure the compulsory voting procedures are upheld, because under this section of the Act the ultimate penalty for not voting is to have one's name struck off the roll. If people are aware of that they will not respond to the correspondence; they will be struck off in droves and will never have to vote again. The State Electoral Department will be in no position to find out that people are not properly enrolled or have been struck off because of this provision. No provision exists in this subsection to determine whether the people whose names it is proposed to strike off no longer live at the address shown on the roll. Until that is done I do not think people's names should be struck off the roll.

This amendment is a bit like fiddling while Rome burns. Democracy in this State is at a pretty low ebb; the gerrymander is arguably the worst in Australia. As I said in my maiden speech, Western Australia is a "shamocracy". Instead of little amendments like this the Government should look at the Electoral Act and update it so that people can enrol easily and stay on the roll.

People should not have roadblocks thrown up in their way so that it is hard to get on the roll, and hard to stay there. As far as I am aware, no other Electoral Act in Australia has a provision under which people are struck off the roll for not

answering correspondence. It would be a salutary amendment to this Act if section 156(15), were removed, and the department were given the ability to check and see if people are enrolled. It comes back to the time honoured position taken by my party, that this problem would not arise if a joint enrolment procedure existed with the Commonwealth. Under the Commonwealth Electoral Act people are not struck off for not voting. The Commonwealth tracks them down and finds out the reason; if they do not have a good reason they are fined. Their names stay on the roll unless they are no longer at the addresses shown. It is time this Government gave the Electoral Department the resources and ability to keep the rolls in apple pie order.

Debate adjourned, on motion by the Hon. Fred McKenzie.

GRAIN MARKETING AMENDMENT BILL

Second Reading

Debate resumed from 2 November.

THE HON. J. M. BROWN (South-East) [5.23 p.m.]: This amendment to the Grain Marketing Act has two specific objects. The first is a validation—or retrospective legislation—in regard to the definition of "lupins". In the past, the full definition of "lupins" has not been incorporated in the Act, and the board has not been operating in accordance with the requirements of the Act; it has been handling lupins without the proper description being contained in the legislation. This is catered for in the Bill and I will make some comments about it in the Committee stage.

The second point is certainly a major departure from the usual operations of the Grain Pool. It enables a cash payout option to be available to growers after they have received their initial advance, or after they have received several advances. This part of the Bill gives me a great deal of concern. I have made many investigations and studies on this matter in the short time available to me. I point out that the board of the Grain Pool of Western Australia consists of seven elected members and two members nominated by the Government. Members probably will have noticed that one of the Government nominees has just been replaced—one who had quite some national fame in the Federal sphere. I refer to Mr D. P. Horgan who has been replaced on the board by another nominee. I assure the House that that action is not the reason for my specific concern about the legislation.

The Hon. I. G. Pratt: Did Mr Horgan perform well?

The Hon. J. M. BROWN: He retired for business reasons and Mr Pratt probably would understand what were his business reasons better than I would. I am not too sure of his reasons other than that the Minister said they were business reasons. His performance on the board may or may not have been dismal.

I am referring to the operations of the board generally; I am not offering criticism of the elected members—I am pointing out the composition of the board and that, of the nine members, seven are elected and two are appointed. There is also a producers council of 21 elected members. There is really quite a delegation when one looks at the activities of the Grain Pool. It is important to note that a clause in the Bill states that the 21 elected members could become redundant at the end of five years. On the advice of the existing board the Minister has seen fit to extend their period of office *ad infinitum*. In other words, as I read the Bill, no limitation exists on their membership of the council. I will mention this further in Committee.

The point that really concerns me, is contained in the Minister's second reading speech where it is stated—

> . . . the Bill will enable the Grain Pool to provide growers with the option of receiving either the estimated funds remaining in a pool as a cash payment soon after harvest at a discount, or receiving the pool payments in the normal way up to 18 months after harvest.
>
> Such options should benefit growers by allowing them greater choice in receiving payments on crops delivered to the Grain Pool. Growers accepting a "cash out" offer will be able to reduce their own borrowings. This should be particularly beneficial to the industry if the Grain Pool is able to borrow funds more cheaply then individual growers.

It makes strange reading to say "if" the grain pool can borrow funds at a greater discount than the growers themselves. No "ifs" or "buts" should be in legislation which comes before us. I wondered why that question mark should hang over the proposition of the Grain Pool being able to carry out its function of making "cash out" payments to growers if it can borrow money on a more favourable market. That is open to question. I will give the House a comparison of the performance of the Australian Wheat Board. I am mindful of the legislation that is before another Chamber which concerns some alterations to the activities of the Australian Wheat Board. I am not foreshadowing what those changes will be; but

I state that the Australian Wheat Board has performed admirably for 11 000 Australian farmers.

For the 1977-78 pool, in April 1979 the board paid $9.71—what one would call a "cash out" payment—as against $10 in July. In 1978-79, the Australian Wheat Board paid out $9.73 as against a July payment of $10. Then we come to the same pool for 1978-79, and on 29 May 1981 the board paid out $6.86064 as against the 1 July 1981 payment of $7.

The interest on the $7 I mentioned last was 15.62 per cent, which included administration costs. The 15.62 per cent is the amount of the discount payment, including the administration costs.

It is worth noting that while "cash out" payments were offered to growers throughout Australia, the information I have is that only 15 per cent of the growers took advantage of the discount payment.

The Australian Wheat Board has made no attempt to make any discount payments in 1982. To my knowledge it has made only the three payments I have mentioned. I am using that as an example to indicate my concern as to what might be borrowed by the Grain Pool of Western Australia, compared with farmers' borrowing powers, and compared with an organisation like the Australian Wheat Board which, through its commercial activities, would be borrowing at not less than 15 per cent. The Grain Pool will be looking at something in the vicinity of $6 million to $7 million in terms of borrowing.

If one looks at the interest charges applied, and compares them with the interest rates a primary producer will pay to his own commercial lenders, one finds the banks operating in Western Australia have a loan rate for borrowers of 14.35 per cent for overdrafts up to $100 000—

The Hon. G. E. Masters: Farmers cannot always borrow at that rate. They may be forced to higher rates.

The Hon. J. M. BROWN: The point I am making is that farmers who are in the business of farming and who are operating as business enterprises, know what their requirements and charges will be. One of the aspects of their borrowing programme is an interest rate of 14.35 per cent. They are not looking to the Australian Wheat Board, the Grain Pool, or anyone else to get them off the hook if they fall into financial difficulties. They make their commercial judgments in their own best interests.

The fact that fewer than 15 per cent of farmers took advantage of the Australian Wheat Board's discount at very favourable figures—considering the monetary situation 12 months ago and comparing the payout with the 15.62 per cent applying in 1981 when interest rates were at their highest—does not mean that the Grain Pool of Western Australia will be able to borrow at that particular rate. That is the first question.

The second question is whether the Grain Pool will be able to obtain finance under the Western Australian Overseas Projects Authority Act. We are aware of that Act, because the other day we passed amendments to it which allow the Treasurer to borrow overseas funds. We are not told whether that facility will be made available to the Grain Pool, and I come back to the question of the "if" in the Minister's second reading speech.

In the existing legislation, section 32 (1) provides—

> 32. (1) A claim for compensation shall be in the prescribed form.

Section 32(2) provides—

> (2) The Board shall recommend to the Minister the amount of compensation to be paid on claims in respect of the grain in a pool and shall base their recommendation on the rate or rates per tonne computed by reference to the nett proceeds from the sale of the grain, the quantities of the grain, the classifications of the grain, and the dockages thereon but shall not so recommend until, in the opinion of the Minister, the Grain Pool has sold a sufficient quantity of the grain to make a just recommendation.

Subsections (3) and (4) are important in my overall comments on the Bill, and I quote them as follows—

> (3) After receiving the recommendation of the Board, the Minister shall determine the amount of compensation to be paid subject to the levies imposed pursuant to section 28.
>
> (4) Pending the determination of a claim, the Grain Pool may, with the consent of the Minister, make, at such time or times and on such terms and conditions as the Board thinks fit, advance payment or payments on account of the claim.

Subsection (4) allows manoeuvrability on the part of the Grain Pool, with the support of the Minister, to vary payments. If I am wrong in my assessment I will be pleased to be enlightened. Whether I am right or wrong, I have further qualifications in regard to the amending Bill, which contains a new section 32A.

Before proceeding to that, I will spend a little time on subsection (4) of section 32, which provides—

> . . . with the consent of the Minister, make, at such time or times and on such terms and conditions as the Board thinks fit, advance payment or payments on account of the claim.

I would not suggest for one minute that the board would ever discriminate against a grower, but the board would have the opportunity to defer payments; and from the way I read subsection (4), the board would have the ability to defer payments and still give equal payments in the long term.

The Bill provides for a proposed new section 32A, part of which provides as follows—

> 32A. (1) Where under section 32 (4) the Grain Pool has made one or more advance payments on account of claims for compensation in respect of the grain in a pool, the Grain Pool may, before determination of the claims under section 32 (3), make an offer of payment in full settlement of each claim.

I may have to raise these questions further in the Committee stage, because we must give this legislation the full attention it deserves. It is clear to me that proposed new section 32A does not provide for ministerial approval. We presently have a prerequisite for ministerial approval in respect of any other payments to be made by the Grain Pool. Every member of this House would know that the Minister for Agriculture makes a public announcement before a payment is made, and that is how the growers know in advance what to expect from any particular pool under the control of the Grain Pool of Western Australia.

The amendment before us has no requirement whatsoever for ministerial approval. That means, in essence, following the first advance, on any subsequent advances the Grain Pool may borrow funds without any reference; it may create an interest charge without any reference; and it may agree to make a payment without any reference to the Minister. This is strange when compared with the existing legislation.

In itself, that matter is of concern to me and to grain growers. I emphasise the concern of the grain growers, and I am of the opinion that the Grain Pools serve the primary producers very well indeed. The fact that the pools are making a first advance of $130 a tonne for oats, including bulk handling charges, indicates the business acumen of Mr John O'Neil, the Manager of the Grain Pool, and the members of his board. They certainly meet the market situation very well indeed.

I was concerned that when we introduced the warehousing of oats, we were detracting from the operations of the Grain Pool, and not permitting it to fulfil its functions, which it does so admirably. Warehousing was introduced, for some reason best known to the Government. When we have this type of legislation, the first question one asks is, "Who was the initiator of such legislation? Did it come from the board? Did it come from the Government? What are the specific reasons for it?"

Although the farming industries would like to receive the largest percentage possible for their payments—in reference to wheat, it is 95 per cent for the initial payment, and it is less as far as the Grain Pool activities are concerned—we are not talking about a great amount of further funds. Why should we bother, when the Grain Pools will complete their operation within 18 months? All farmers know how to draw up a budget and how to organise their cash flows—how to utilise their commercial activities by borrowing from lending authorities. We are all aware of the incomes that can be involved. The existing legislation, in my opinion, is neat and tidy; it has served the farming community very well indeed.

I note that in his second reading speech the Minister indicated that the two grower organisations have agreed with the proposition before the House. I wonder how much study the two grower organisations gave to this legislation; I wonder whether they studied in depth what was sought to be achieved, and for whom?

When I read into this Bill a little further I am alarmed at what might take place under it. The Minister's speech indicates that, if a deficit occurs, future sales—I presume those future sales would take place and then a "cash out" payment would be available on those sales—will compensate for the deficit, which may have been caused through an overpayment of a "cash out" payment. If a deficit comes about through an overpayment, the judgment of the board is lacking; if the payout is not enough, the judgment of the board is lacking.

The Bill provides for the Grain Pool to create a surplus from the profits of "cash out" payments it offers its clients. That surplus can be utilised for various purposes, purposes I have not been able to ascertain from a reading of this amending Bill. A reading of the Minister's second reading speech notes indicates the Grain Pool will have the option also of using the reserve fund either to distribute to growers who have accepted an offer for a cash

payout, surplus funds which might accrue from that offer or, after consultation with the Minister, for any purpose which will directly benefit the grain industry. In using money from the reserve fund the Grain Pool will be required to have regard for the need to maintain proper reserves.

The implication in the Minister's second reading speech is that, if the Grain Pool does not pay the growers enough and has a surplus, it may pay them more, but it does not have to, and it would utilise those funds for the benefit of the grain industry as a whole. This will penalise twice certain sections of producers, and this is not good enough. The whole idea of orderly marketing could be destroyed by the introduction of proposed new section 32A.

At a previous time when this Minister was not handling the legislation I queried whether the Government should no longer underwrite the borrowings of the Grain Pool. I was told the Grain Pool was not using the Government's guarantee and therefore it was no longer required. However, upon my own inquiries with the Grain Pool I was informed that no representation had occurred one way or the other about Government guarantees, which were withdrawn by an amending Bill in 1981. The Grain Pool does not have a Government guarantee; it operates within its own right. It has been of great benefit to the growers, and we are talking about some 8 000 of them who use the Grain Pool to sell the grain they produce.

I am concerned that the Government should introduce this legislation without a full explanation. I cannot understand how the Grain Pool could make a "cash out" offer under proposed section 32A without the approval of the Minister, when its initial payments and its regular payments under section 32(1) to (4), must have the approval of the Minister; the pool must satisfy the Minister it has made the sales and can meet its commitments, whether its sales be on terms or otherwise. It must satisfy the Minister it can carry out its functions as prescribed in the Grain Marketing Act. Under proposed section 32A the function of the Minister is inoperative.

This begs the question: Why should the Government introduce this legislation when the Grain Pool has made the major part of its payment already, remembering that the longest period any producer has to wait for his payment is 18 months?

The Grain Pool's annual reports are tabled each year in Parliament. I have in front of me the reports of its activities for the years 1980-81 and 1981-82. The Grain Pool is answerable to Parliament; but when it can offer a cash payout without any scrutiny by the Parliament and without being answerable to anyone unless someone knows what is happening, it all seems very strange, especially when one considers what has taken place in the past. Having mentioned these matters at this point, I indicate to the Minister that I will pursue them in the Committee stage.

I am unaware of any pressure from growers to receive an early "cash-out" payment. I am aware that in Queensland some 45 per cent of growers have taken advantage of "cash out" payments, but any similarity between Western Australia and Queensland is purely coincidental. We do not know the number of growers in Queensland, the interest rates they must meet, or the discounts they are paying. Because of time constraints I was unable to find the answers to these points. Even here in our own State we do not know the discounts applying; we do not know the interest rates involved. If a grower borrows $100 000 at commercial rates through a banking institution, he has to meet interest charges of 18 per cent or more. A primary producer who obtains these large sums is different from the small farmer.

The Hon. G. E. Masters: Did you say the farmer?

The Hon. J. M. BROWN: Yes. This will occur because external pressure is being applied to small farmers. I want the Minister to understand that, in a farming community in which there are one or two banks, the banks are well aware of the distribution of funds by the Grain Pool. If an opportunity is found to get an extra sum of money within their grasp, they will certainly use those pressures on their clientele so their funds can be spread still further. That is normal commercial activity. The short period taken for the discount payments under the Australian Wheat Board programme has involved just 47 days in one instance.

One wonders why the Government has found it necessary to introduce such a programme. I would be failing in my duty to farmers of Western Australia if I did not ask these questions, the answers to which need to be spelt out in no uncertain terms. We need to know what interest rates will apply to borrowings by the Grain Pool and where these are to be obtained—whether they are to be loans from commercial banks in Western Australia or elsewhere. We need to know whether the pool will utilise overseas funds or the borrowing powers of the Treasurer. Will it make cash profits in the long term from farmers who have been utilising its services? Will it use the funds of disadvantaged growers who are encouraged to take a cash discount payment? Will those growers then be funding other activities of the Grain Pool at the Minister's direction? It is strange to read that

at the Minister's direction the Grain Pool can make use of the funds if it has a surplus in the "cash out" payments, but the Minister will have no control at all over the distribution of those payments.

I ask the Minister to answer my queries, not only in the interests of the Opposition, but also in the interests of primary producers, who are so important to this State.

THE HON. G. E. MASTERS (West—Minister for Labour and Industry) [5.57 p.m.]: I am not sure whether the Hon. J. M. Brown supports the Bill or is withholding his support until he obtains answers to his queries. I will try to cover as many points as I am able to.

I was surprised at the expressions of concern from the honourable member. I would have thought the proposition before us was perfectly reasonable and, indeed, very sensible. I cannot share his fears and concern. I certainly have more confidence in the Grain Pool than the honourable member appears to have.

The Hon. J. M. Brown: I have no quarrel with the Grain Pool; I referred to the "cash out" payments.

The Hon. G. E. MASTERS: The member expressed concern that the directors of the pool may not act in a reasonable way. I know he was not strongly critical, but he did have some doubts.

The Hon. J. M. Brown: I said there could be some restrictions.

The Hon. G. E. MASTERS: The normal practice is for final payments to be made something like 18 months after the time of delivery.

The Hon. J. M. Brown: That is the maximum.

The Hon. G. E. MASTERS: So there is about an 18-month wait. We are saying there can be an option—I emphasise the word "option"—and it will be up to the producer whether to take a "cash out" payment. I understand he may be subjected to external pressure when the option is available, but we must recognise that it is an option. A farmer may decide to take a payout figure if it suits him. Definitely, pressure has come from the industry and some growers to have this option available to those who require it. I say that because, in talking about an option, in most cases there will not be any pressure from anyone; the only pressure will involve the producer himself.

The Hon. J. M. Brown: But the option is costly to the grower.

The Hon. G. E. MASTERS: But the costs will be at the option of the grower. If, as the member suggests, the grower would lose out if he were to accept a payout figure, he need not opt for it; the producer would not be forced to take the option. He would have the figure in front of him and he would be able to say, "Yes, I will take that figure", or, "No, I will not take that figure." It may suit the grower to take the option for a number of reasons, which I will explain later.

Sitting suspended from 6.01 to 7.30 p.m.

The Hon. G. E. MASTERS: Mr President, before the tea suspension I was addressing the House on the question of options. A person will be able to make a decision whether to take a sum of money for a final payment. A grower will make that decision in relation to his own circumstances as a grower. I would accept there are times when maybe a grower could be faced with financial problems and pressures could be placed on him by those persons to whom he owes money. He could then decide to take that offer to pay the debt. That would not occur very often. In the main there would be no pressure and so the person concerned could make a commercial decision. It could well be that the grower is owed a substantial sum of money and that the property next door becomes available for purchase. He could decide to buy it using the money available. The honourable member is shaking his head, but such possibilities exist.

The honourable member spoke in relation to borrowing capacities and interest rates. It is fair to say that a large organisation—or the pool in this case—has a fairly large turnover and would have the capacity to borrow money in certain circumstances—perhaps on an open market. The grower would not be able to take advantage of this avenue of finance but in this case the advantage could be passed on to the grower.

The farmer may have borrowed money for new equipment and the interest rates could be between 18 and 25 per cent. If, in fact, the payout would relieve pressure from large loans he has at a high interest rate, I am sure the farmer would be tempted to take the payout offer made by the pool. The honourable member said that the bank interest rate is 14.5 per cent and that it varies from time to time.

The Hon. J. M. Brown: It is 14.35 per cent.

The Hon. G. E. MASTERS: It has become the practice for commercial bills. That is, for the bank to borrow on the borrower's behalf. Recently the interest rates in these areas rose to something like 25 per cent. It is fair to say that the pressure for the proposals in this Bill before the House have come from some sections of the industry. Again, those sections applying pressure can take the option put forward if funding is available to the pool.

The structure of the Grain Pool is something we should examine carefully and the Hon. Jim Brown is being a little unfair in his comments relating to the directors of the pool. We need to understand that the directors are representatives of the industry. There are nine directors in the pool, seven of whom come from the zones represented on the board. The directors are elected by the producers and, indeed, they are producers themselves. We would have to believe that any decisions they make are in the interests of the industry and in the interests of the producers in the long and in the short term. It is a producers' organisation and the directors have the interests of the grain-growing industry at heart. The directors are elected for a term of four years and after that time they could lose their position if the growers are not satisfied with their performance. I believe that course of action would be taken if it was found their performance did not suit the industry.

The Hon. J. M. Brown: Now you are denigrating the producers.

The Hon. G. E. MASTERS: No, I am not. They would have to perform well.

The Hon. J. M. Brown: That is what I said.

The Hon. G. E. MASTERS: That is the purpose of this legislation. I accept the member's comments. The directors must perform satisfactorily or they will be thrown out. I fail to understand the fears that the member expressed in relation to the operation of that pool as far as this Bill is concerned.

The honourable member raised the question of overseas borrowings. My understanding is that the pool would certainly have no access to Treasury funds obtained from overseas borrowings. The Commonwealth Government has strong limitations in relation to overseas borrowings and investigates applications and requests. The Commonwealth would consult the State Minister in relation to any of these requests. Treasury funds are not available for borrowings of this kind. From my reading of the legislation I would agree with the Hon. Jim Brown. In fact, the Commonwealth Government makes its own decisions, although it may consult the Minister concerned—I believe it certainly would do so. However, there is no direction that it should.

The pool has the power to regulate its own affairs. It has a great responsibility and I am sure it would not do anything of an irresponsible nature.

The decision in relation to the payout offered to growers would be that made by the pool rather than by the Minister. The pool would have the power to determine what would be a reasonable payout figure. Again, it is a commercial decision based on markets and on the best advice it can possibly obtain. The pool would make the final judgment and it would need to be effective. The final payout figure offered before the 18 months would have no effect on the final payment to those who did not choose that payout.

The Hon. J. M. Brown: I am well aware of that. I agree it is a commercial judgment.

The Hon. G. E. MASTERS: Those growers who decide to wait for 18 months will get the full benefits and they will not suffer because of those people who chose to get the final payment before the 18 months had expired. The option is put before the grower who has a commercial decision to make.

As I understand it, this legislation is the result of pressure from the industry and certainly from the pool directors, who, over a period of time and for a number of reasons have been asked whether more funds could be made available. It is a response from the industry and from the people who obviously, in recent times, were placed under some financial pressure and who needed to settle some debts more quickly than in the past because of high interest rates. Personally, I think it will be of great benefit to the industry for a number of reasons.

The honourable member raised a question in regard to section 32(4) of the Act. It reads as follows—

> Pending the determination of a claim, the Grain Pool may, with the consent of the Minister, make, at such time or times and on such terms and conditions as the Board thinks fit—

Here are the operative words—

> —advance payment or payments on account of the claim.

Those payments would be made across the board to everyone.

The Hon. J. M. Brown: Does it say that in the Act?

The Hon. G. E. MASTERS: I will read it again—

> —at such time or times and on such terms and conditions as the Board thinks fit, advance payment or payments on account of the claim.

The Hon. J. M. Brown: And on terms.

The Hon. G. E. MASTERS: It says—

> —at such time or times and on such terms and conditions as the Board thinks fit—

This is what happens now and it is paid to the industry.

The Hon. J. M. Brown: It does not say that.

The Hon. G. E. MASTERS: My understanding is that that is the practice and it was the wish of the industry that the Government should introduce this legislation. The interpretation of the Act did not enable the pool to offer a payout figure so it is to be amended to give the pool this power. That is one of the reasons for this legislation. It was considered that legislative changes were needed to enable the proposal the Government has before the House to be proceeded with. It is a matter of interpretation.

The Hon. J. M. Brown: If you read that it clearly states—

The Hon. G. E. MASTERS: "And on such terms and conditions as the board thinks fit".

The Hon. J. M. Brown: Sure.

The Hon. G. E. MASTERS: It is an advance payment made to all growers across the board whether they like it or not. We are now proposing a final payout figure which can be offered and either accepted or refused. That is the difference the honourable member should bear in mind. It is the reason for this legislation.

The payment at the end of the 18 months goes to all growers remaining when sales are completed and the final payout figure has been determined. We must accept that the directors represent the industry. They have been elected to the position of director and it would be unjust to suggest that they would behave improperly in any way.

The Primary Industry Association supports this legislation, which will allow the industry to make certain decisions in its best interests.

In broad terms, I think I have covered the thrust of the legislation, and I hope it receives the support of the House.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (the Hon. V. J. Ferry) in the Chair; the Hon. G. E. Masters (Minister for Labour and Industry) in charge of the Bill.

Clause 1: Short title and citation—

The Hon. J. M. BROWN: I do not think the Minister satisfactorily answered any of my queries.

The Hon. Robert Hetherington: There is nothing new about that, of course.

The Hon. J. M. BROWN: This legislation deserves more scrutiny than perhaps it received in the Legislative Assembly.

When discussing section 32(4) of the principal Act I pointed out that the Grain Pool had the authority to vary and even to defer payments. I was quick to point out also the Grain Pool always would act with the best of intentions; indeed, no motive exists for it to do otherwise. I agree fully with the operations of the board, although I had a certain reservation, which I canvassed earlier.

I do not accept the answers the Minister gave to my queries. He referred to the borrowing powers available to the grain grower. I believe the grain grower can borrow just as competitively as the board; in fact, I demonstrated that in my comments relating to the Australian Wheat Board.

The Hon. G. E. Masters: If they can borrow just as competitively, they do not need to accept the offer.

The Hon. J. M. BROWN: I realise that, but financial institutions have applied pressure to grain growers to get in as much cash as they can and reduce their commitments. Under this provision, that pressure will occur forever and a day.

What is the need for this legislation in the first place? Why is the Minister not to be involved in all categories of payments? This legislation could circumvent the authority of the Minister for Primary Industry—although I do not suggest the board will seek to do that—and my questions on that point have not been answered satisfactorily. Section 32(4) of the parent Act provides the Grain Pool with wide powers. In part, it states—

> ...on such terms and conditions as the Board thinks fit, advance payment or payments on account of the claim.

That provides the board with wide license to vary and even to defer payments. Let us not become tied up with the 18-month provision. That is the time it takes to receive final payment. However, grain growers generally receive 90 per cent or more as an initial advance. CBH handling charges for oats are $14.40 per tonne, and growers receive a first advance of $144.40 per tonne, less handling charges and freight. The remaining payments made over that 18-month period are not of large amounts. The board has the power to vary payments. However, that further power is the board's alone; no input is required from the Minister for Primary Industry. So the first advance and subsequent payments must be made in consultation with the Minister, yet the final payment made to growers who do not take advantage of the cash offer must have the

approval of the Minister. That in itself clearly demonstrates the legislation has not been presented in a clear and open manner so that it is easily understandable.

The CHAIRMAN: Order! I believe these remarks more appropriately could be dealt with under a subsequent clause. In response to the Minister's summing up of the second reading debate, the Hon. J. M. Brown has made a number of points, which the Minister obviously has noted. I would not like to think we were prolonging a second reading-type debate.

The Hon. J. M. BROWN: I respect your wishes, Mr Chairman. However, clause 1 of the Bill states that the Act to be amended is the Grain Marketing Act, and I am pointing out that the Minister's replies have not clarified the precise intention of the Bill.

The Hon. G. E. MASTERS: The Hon. J. M. Brown raised matters which more appropriately should be discussed under clause 4, and I suggest I leave my remarks until that stage.

Clause put and passed.

Clauses 2 and 3 put and passed.

Clause 4: Sections 32A and 32B inserted—

The Hon. J. M. BROWN: Section 32 of the Act provides the Grain Pool and the Minister with a definite responsibility. However, proposed new section 32A makes no reference to all the payments which can be made without any reference to the Minister. I do not believe the Grain Pool would seek to circumvent the authority of the Minister, but this should be spelt out. I refer members to the wording of new section 32A(1) and (2); no ministerial input is provided for. In other words, if the Grain Pool makes the normal payments, ministerial approval is required. However, if it wishes to make a "cash out" offer, only the approval of the board is required. On all evidence available to us, from what happens with the Australian Wheat Board, a "cash out" offer will be costly to the producer; it will cost him in excess of 15.62 per cent of the total amount due to him. The Minister did not answer these queries satisfactorily. To talk about bonding one property to another and about machinery commitments is to miss the point. I am talking about a farmer who must answer to his banker, who could apply pressure to encourage the farmer to meet his commitment. However, if the farmer accepts a "cash out" offer, it will be at his expense.

I refer members to the wording of new section 32A(3), which includes use of the word "compensation". I believe that to be a misleading word, because the producer is receiving payment for his goods. Perhaps the phrase could be, "claims for payments".

I think everyone understands the terminology of proposed subsections (1), (2) and (4). I do not understand the reason that it is not necessary to have the approval of the Minister. The Minister has not responded to my query in relation to proposed subsection (4) and I believe it should be answered.

The Hon. G. E. MASTERS: I am sorry I did not explain the matter to the satisfaction of the honourable member.

The legal interpretation of proposed section 32A (1) is that the existing legislation allows one or more advance payments to be made. However, our legal advisers feel the legislation does not give authority to make a payout offer. We could argue backwards and forwards about the meaning of these words; the Hon. Jim Brown no doubt would suggest that the words "on such terms and conditions as the board thinks fit" mean that the board can make advance payments or a final payout, but our legal advice is that this may not be so. To ensure the pool is able to make a payout, this needs to be written into the Act.

If the honourable member supports the principle that the pool, if it wishes, may make this option available to a grower, he should welcome this provision being written into the legislation so the matter is covered fully. We do not want to be faced with a legal challenge in the future with the consequent need to validate the actions of the pool. That is the argument I am putting to the honourable member and I do not intend to debate with him the interpretation of the words. I am simply telling him the facts that are before me.

The honourable member talked about the cost to the grower. He said that if the pool determined an interest rate of 15 or 16 per cent, it could be unreasonable. In certain circumstances today an interest rate of 15 or 16 per cent is quite reasonable. Some farmers may have taken out loans at interest rates of up to 25 per cent.

I accept the honourable member's comments about pressure applied to growers to pay off their debts by taking advantage of a final offer payment, but right across the board the growers believe it would be a great advantage to them to have an extra sum of money at an earlier time. So the growers support the legislation as it will give them another option. I am not saying that some may not be disadvantaged by it, but I am saying that the great majority of the industry supports the proposal.

Another point raised by the member was the necessity for ministerial approval in the particular

situation to which we are referring. This is really a different circumstance—we are talking about a situation where the directors of the pool may decide they would like to make a final offer at some time, and in trying to do that they look for money to enable them to take that step. The money will be kept in a separate account. They will say to the growers, "If you want to take the money now, you can have it."

In deciding whether to make such an offer, the administration of the Grain Pool will shop around to ensure that finance is available. So it is almost a separate negotiation. A separate account will be established, and probably separate loan funds. The Grain Pool will act almost as an independent trader. These actions of the Grain Pool will have no effect on the people who want to wait for the full 18 months. It is quite likely that this explanation will not satisfy the Hon. Jim Brown but the industry, the Grain Pool, and the Minister believe that the provision will work very well.

The money will be kept in a separate account and it will be audited separately. The auditing procedures will have to be up to the standard of commercial enterprises. I cannot see any major problems.

We are talking about an industry Bill. The legislation was decided upon by the directors of a pool the membership of which is elected by the growers themselves. No people will be on the sideline taking their cut. This is an industry operation with a board of directors overseeing it. We should acknowledge that the directors of the pool are expert enough to make such a judgment in the interest of the industry.

The Hon. J. M. BROWN: The Minister is quite right; he has not satisfied me with his response. It is inconsistent legislation. Subsection (4) of section 32 states that the Grain Pool may, with the consent of the Minister, do such and such. Then proposed section 32A states that the Grain Pool may—and in this case without reference to the Minister—before determination of the claims under section 32(3), make an offer of payment in full settlement of each claim. This proposed section should at least contain the words "with the approval of the Minister of the day" to be consistent with what is already in the Act.

I have pointed out to the Minister that a claim for payment at a discount could be a greater amount than the final payment made to growers who did not take advantage of an offer. It is indicated quite clearly that there could be a deficiency in the advance payment to a grower who does accept it. If that is so, why is it at least not consistent? We could then say that the Grain Pool may, with the consent of the Minister, before determination of claims, make an offer in full settlement.

As the Minister said, it may be just an administrative matter to obtain the Minister's approval to make a payment. Surely the Minister would want to be able to tell the growers that he will enable the Grain Pool to offer funds at a discount.

I could quite easily speak against my own argument and say an occasion could occur where the Australian Wheat Board, in a drought situation, could make advance payments to the growers. However, administratively it is a cost to the growers. Such a payment must be a cost against the Grain Pool or a cost against the Australian Wheat Board. If the advance payments are not made in the normal course of transactions—and we are talking of only 10 per cent of the final transaction—within a maximum period of 18 months, surely it is not unreasonable for the Minister to have an input when the payments could be higher than the final payments made to growers who wait their turn.

I am not saying that the board would not act responsibly, but it could be of distinct advantage to the board to have the assistance of the Minister. The Minister should have knowledge of what the board is doing, but many more advantages are to be gained from my suggestion. The Minister may even recommend to the board that it should look at ways to make advance payments. In certain isolated pockets of the State funds may be necessary at a certain time, so I suggest it would not be out of order to include the words "with the approval of the Minister" in subsection (1) of proposed section 32A, and possibly in proposed subsection (2) as well.

The Hon. D. J. WORDSWORTH: I believe I would be correct in saying that if a person has been receiving normal payments from a pool it could be by Government guarantee, but if the person is buying out of the pool there is to be no Government guarantee, and therefore the Minister is right.

The Hon. G. E. MASTERS: The honourable member is right, but it is a separate business operation. I do not think I can say much more to the Hon. Jim Brown than I have said already. I find it hard to understand his concern about the interest rate. Obviously an interest rate needs to be applied when any organisation is borrowing money on the market.

The growers who accept the option put before them do so for a very good reason. It may well be that they are borrowing money at a greater cost than it would cost them if this sum of money were

paid to them. However, it is entirely up to the grower to make the decision. Nobody is pressing him. The grower is made an offer, and then he makes a judgment on the basis of his own business activities. A loading must be placed on the finance obtained, but to some growers the interest rate may be better than the arrangement under which they are operating. I really cannot put forward any more arguments. We are talking about a voluntary option.

The Hon. J. M. BROWN: The Hon. David Wordsworth should remember that this is referred to under part III of the Act, and he was the Minister who handled the amendments when they were introduced in 1981. No Government guarantee is involved, and the Minister is wrong to say one exists.

The Hon. G. E. Masters: I said this one is a separate operation.

The Hon. J. M. BROWN: No Government guarantee applies to the trading of the Grain Pool because the guarantee was withdrawn.

The Hon. G. E. Masters: I am saying this one we are talking about is a separate business operation.

The Hon. J. M. BROWN: In his second reading speech the Minister said that if the Grain Pool were able to obtain funds more cheaply than could the individual growers, it could be of benefit to the industry. Those are the Minister's own words.

The Hon. G. E. Masters: Sure.

The Hon. J. M. BROWN: The Minister should be able to say that this will happen.

The Hon. G. E. Masters: How can I say that? The directors of the pool will shop around for money. If they cannot obtain sufficient money at the right price they will not make the offer.

The Hon. J. M. BROWN: The Minister was not correct in the support he gave the Hon. David Wordsworth. The Minister may authorise payments which involve the normal transactions of the pool; but, as far as these transactions are concerned, the Minister has no input whatsoever and that is unsatisfactory.

The Hon. G. E. MASTERS: I refute the point raised by the Hon. Jim Brown. My understanding of the Hon. David Wordworth's comments was that it was a separate business operation. If funds could be raised at a reasonable figure by the directors of the pool, they could be used for a separate business deal which would suit some people and not others. I believe the Hon. David Wordsworth is right when he says this is a separate business proposition and, therefore, should be taken separately from the other payments which are made.

The Hon. J. M. BROWN: I refer members to the wording of proposed new section 32B (1), (2), and (3)(a) and (b). Members who have taken some interest in this matter acknowledge that, after consultation with the Minister in such manner as to directly benefit the grain industry, that is what happens if a surplus has been achieved.

The Hon. G. E. Masters: You are talking about the grain industry. You are right back to the industry itself.

The Hon. J. M. BROWN: All my comments in relation to the Bill have revolved around the grain industry.

I am concerned that the reserve fund will be utilised at the expense of the "cash out" growers for the benefit of the whole industry. Those reserve funds have accumulated, because growers have not been paid their full entitlements which they would have received had they waited for their payments to be made in the normal manner. The provisions in the Bill seek to utilise those funds for the benefit of the grain industry at the expense of the disadvantaged growers who, in the first instance, decide to take "cash out" payments in order that they might meet their commitments. However, these provisions will penalise those disadvantaged growers by using the reserve funds for the benefit of the grain industry, and that will be done with the approval of the Minister.

On the one hand the Minister will have an input in relation to how the funds shall be spent, but, on the other hand, he will not have any input in relation to the "cash out" payments. That situation should be scrutinised.

It is not fair to the primary producer that the funds of disadvantaged growers should be used for the benefit of the whole of the grain industry. If a deficit occurred, firstly the growers who accepted cash payments would have received more than they were entitled to. Secondly, it would mean the Grain Pool's calculations did not coincide with its expectations. That would be an incorrect commercial judgment and I accept such an error could be made. However, in the next year, the deficit will be made up out of the surpluses of the funds payable to growers whose full entitlements were underestimated by the board. We are not necessarily talking about the same growers; therefore, in some instances, growers could contribute to the deficit incurred as a result of payments made to other growers in the previous year and, in that way, the surplus funds of those growers would be used for the benefit of the grain industry.

The Bill states also that a further payment may be made to growers, so I am mindful of the situation as it applies to growers generally. However, we are talking about the people who are in need of money and they are being taken advantage of as a result of proposed new section 32B which is not satisfactory.

The way in which the surplus is disposed of does not require the approval of the Minister; therefore, distributions may be made to growers and, indeed, the surplus could be used for other purposes.

I should imagine surpluses could be used for investments which would assist in future transactions, because if a "cash out" payment is made in 1982, it may be invested until 1983 when a further "cash out" payment would be made. I wonder whether that money would be invested at an interest rate exceeding 15 per cent if the money were borrowed at 15 per cent. The provisions in clause 4 are not satisfactory.

The Hon. D. J. WORDSWORTH: I am confident the proposals incorporated in the clause will prove to be satisfactory to the industry. They are not very different from the present provisions. When one is finalising a pool now, frequently a very small sum is left over and, rather than try to divide up such a small sum between the persons involved, the Grain Pool has the ability to allocate funds to various areas. In fact, I believe donations can be made to certain CWA projects.

The Hon. J. M. Brown: They do make those donations.

The Hon. D. J. WORDSWORTH: Under these amendments, if a reasonable amount of money is left over, it may be distributed if the trustees desire to do so and, if not, the money may be set aside for the benefit of the industry.

The Hon. J. M. Brown: At the expense of the most impoverished growers.

The Hon. D. J. WORDSWORTH: However, these payments would relate to only a very small percentage of the total moneys involved.

The Hon. G. E. MASTERS: I find it difficult to follow the Hon. Jim Brown's argument. In an earlier part of the debate he said the Minister should have control, should have a say, and should be responsible where cash payouts are involved. However, in relation to a surplus, the member is arguing the other way and saying the people who may have been disadvantaged, and who contributed to the surplus in the pool, should receive back that money and the Minister should not have control of it.

The Hon. J. M. Brown: That is not correct.

The Hon. G. E. MASTERS: If it is not true; that is how I understood it. The pool has to work very hard in a business situation to arrive at a decision as to the figure that should be paid. It takes the risk that it will have a deficit or it may create a surplus. If a surplus is created after consultation with the Minister certain action may be taken: Firstly, the surplus can be put to the benefit of the grain industry, and, secondly, it can be distributed to those growers who took the opportunity to exercise their options. If no great surplus was created, this may well be the case, but those people have taken that option and the honourable member is saying they may be impoverished. However, I do not accept that. It may well be they had the ability to borrow large sums of money at a high interest rate and, therefore, they had exercised this option. Nevertheless, that surplus money will be controlled very carefully. It will be allocated to the benefit of the grain industry, if the Minister so desires, and he would respond to the producers if they made approaches to him, as would the directors of the pool who are the industry representatives who were voted in by the industry to take these steps and manage the enterprise.

If the surplus involved a sum of money which was thought sufficient to distribute to the growers who had exercised their options, that would occur. I do not accept that this position is unfair. It is reasonable and proper and, if I were a grower, I would be very disappointed if this Bill did not progress through the Parliament, giving me the option, at a time when I need money, to raise it in this manner.

This is an industry Bill, for the benefit of the industry, and controlled by the industry itself which has chosen to make the decision which is before us today.

The Hon. J. M. BROWN: The Minister said that, as a grower, he would be very disappointed if he did not have this opportunity. Let me assure the Minister, as a representative of grain growers, that they would be very disappointed if I did not speak on their behalf in this Chamber.

The Hon. G. E. Masters: I don't argue about that. I accept you are representing them very well. I don't agree with your argument.

The Hon. J. M. BROWN: Firstly, a cash offer may be made without any reference to the Minister, subsequent to the first or any other advances. That is inconsistent with advances in normal circumstances. Secondly, an overpayment may be made in the cash advances and that would be an expense to be met by future grain growers who take a "cash out" option. Thirdly, those growers who need the funds accept that "cash out" pay-

ments will pay for the shortfall when a deficit occurs. However, when a surplus is created they may receive another payment and that happens without any consultation with the Minister.

If that surplus goes into a fund for the benefit of the grain industry, that movement requires the approval of the Minister. Surely that provision spells out how inconsistent with the Grain Marketing Act are proposed new sections 32A and 32B. In a few moments I will deal with the next clause, which relates to this point. Previously you, Mr Chairman, would not allow me to deal with that clause before it was called. I make the point that the provisions are inconsistent, and can penalise grain growers.

It is most unfair that some growers will take the advantage of a cash payout. This Bill is discriminating against those growers, who will be compelled by financial circumstances to take advantage of a cash offer. I am well aware of what the CWA and the Grain Pool can do with certain funds, and no-one has objected over all these years to what the Grain Pool has done. However, we have a small group of growers requiring this provision. If it works in any way like the provision relating to the Australian Wheat Board, the number of growers involved will be only 15 per cent of the total number, a situation which I think will be most unfair.

The Hon. I. G. PRATT: The Hon. Jim Brown suggested that the cash payment would be in the vicinity of 90 per cent of what it should be if the grower waited, so we are considering a residue of 10 per cent. He suggested that these growers are "impoverished farmers", but that is not necessarily so. If a grower takes advantage of the cash payout he will probably find himself in a much better position than if he had to borrow money to buy something such as a new car. Considering the amount of discount, growers might be better suited to take the money rather than pay a 25 per cent rate of interest on a loan for a new car. If they take that course, of course they should not receive the cream at the end—they have opted out of the pool.

Some growers might experience financial difficulties, and owe money to their bank. They might be in a better position if they take the discount and pay off the bank, instead of paying the bank's interest rate. We should face the situation that growers can avail themselves of an advantage by way of this facility. Therefore, what is all this hullaballoo about? If a grower wants to take advantage of this facility, it must be what he wants. Is that not why we are to include this provision in the legislation? So, what is all the hue and cry about?

Clause put and passed.

Clause 5: Section 35 amended—

The Hon. J. M. BROWN: I am sorry that after my explaining the situation in full, including all the disadvantages that will be caused to growers, no final response was made. As well, under clause 5, we will impose an added cost. The clause indicates the administrative responsibility on employees of the Grain Pool to keep separate accounts of "cash out" payments. Of course, that will be a further cost on farmers who take advantage of the cash payout. In the main these farmers will have to do so as a result of pressures from financial institutions, and this administrative responsibility will be a further cost on this small section of the industry. We cannot provide this facility for free.

This point refers to the point I made in the first instance; this measure is unnecessary. I still think the Grain Pool has the power to provide this facility, and this will be a further cost on the industry and a disadvantage in the long term to this small sector of the farming industry.

If we consider this matter objectively, we must ask: Who will want to take a payment in May as against a payment in July as happens with the Australian Wheat Board? We must consider the spreading of funds and recognise the averaging system which primary producers have.

It is important to recognise that this measure will be a further cost on farmers in a difficult position. In the main they will be farmers in need of assistance. I have never doubted that for one second. I just think these farmers are not managing their financial affairs in their best interests, and should wait for their full payments to be received in the long term from the Grain Pool.

The honourable member who just spoke referred to "impoverished farmers".

The Hon. I. G. Pratt: I was repeating you, Mr Brown.

The Hon. J. M. BROWN: I think the term could have been put better by myself another way.

The Hon. I. G. Pratt: It is recorded in *Hansard*. I quoted you.

The Hon. J. M. BROWN: I do not deny that I was quoted. I merely said that the words could have been better chosen by me. Does the member understand that? Perhaps it would have been better to use a word other than "impoverished"; possibly I could have used the term "battling farmers", or "new land farmers", or "farmers who have suffered severe droughts or disabilities". Those are the types of farmers to which I referred when I used the term "impoverished farmers".

The point I make is that this clause will cause an additional cost to be borne by farmers who are just as important to the future stability of the industry as are established farmers. We are already losing too many of the types of farmers who will make use of this facility.

Again I make the point, which was the reason for my rising in the first instance, that it would be far, far better to make the payments in the normal manner. I do not see a great deal of advantage to farmers who use the facility proposed by the Bill, and in addition will be required to meet this extra cost.

The Hon. G. E. MASTERS: I must say again that I disagree with the honourable member. I do not believe for one minute the provision will mean an additional cost or penalty. The facility is quite definitely and quite clearly a benefit. If the grower wishes to avail himself of this facility, I am sure it will be of assistance to him.

He may have borrowed money at a rate of interest more than the possible 15 per cent rate which will apply to the cash payout. If a grower wishes to avail himself of this option to take the cash payout because he sees a financial advantage will accrue to him, he will receive a benefit. That is what we are talking about. He has an option to take the money or to leave it.

We must accept that if he needs the money and takes it, he has carried out a financial exercise; he has made a judgment as to whether the cash payout will be of financial benefit to him. All we have done is to provide an option and say that a sum of money will be available to growers if they so desire it.

It will be provided at a certain rate, but certainly it cannot be regarded in any way as a penalty. It is impossible to say that the facility will be a penalty, because it is an option. He can take the money or refuse it and wait until the sales have been completed. For the life of me, I cannot follow the member's argument. If I were a businessman—farmers are businessmen these days—

The Hon. J. M. Brown: But you are a businessman.

The Hon. G. E. MASTERS: —I would like to have the choice available to me. I cannot possibly accept the argument.

The Hon. D. J. WORDSWORTH: I cannot understand the argument. The Bill has been introduced because primary producers have been incensed by the very low prices offered to them by certain finance companies in regard to discounting bills and growers interests in past pools. Here we have a chance for growers to get together to set up their own payments. That is exactly what the industry has required for some time.

The need to keep accounts as set out in this clause is very important. When one asks questions about the land board, one finds one cannot obtain very much information. Obviously the Grain Pool will be required to keep separate accounts, a requirement that will be of great benefit to all concerned.

Clause put and passed.

Clause 6 put and passed.

Clause 7: Validation—

The Hon. J. M. BROWN: The previous validation in regard to the Grain Marketing Act was made in 1981. I suggest that no place is available in the Act for the validation order to be placed. For the purpose of handling the legislation, a place should be found for this validation provision. We had the validation order in Act No. 89 of 1981 just stuck to the front of the legislation, and no provision was made for a special section to be inserted.

I suggest to the Minister that this validation in regard to the declaration of lupin seeds should be placed in a section of its own rather than be attached loosely to the front or the back of the Act. I say that because these loose-leaf attachments could disappear easily. To do as I have suggested would tidy up the legislation. As the Minister would have seen from his own copy, the previous validation was loosely attached, and the same situation will apply in regard to this validation.

There would be some merit in having the validation order included in a specific section.

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. G. E. Masters (Minister for Labour and Industry), and passed.

AERIAL SPRAYING CONTROL AMENDMENT BILL

Second Reading

Debate resumed from 2 November.

THE HON. R. T. LEESON (South-East) [8.44 p.m.]: This small piece of legislation will make lawful the requirement that any person who owns an aircraft modified to carry out aerial spraying

will take out insurance of not less than $30 000 against damage to stock and crops. For example, an aerial sprayer may make a mess of his operations by spraying the wrong type of chemical.

As the Minister indicated in his second reading speech, the Bill has been brought about because a loophole in the Act has enabled an operator in the south-west to carry out aerial spraying with one or more aeroplanes, without having to take out the necessary insurance.

I support this Bill because as most of us know some danger is involved if the wrong chemical is sprayed. The Bill mentions specifically crop and stock losses but it does not mention any other losses. No mention is made in the second reading speech notes of human losses and of course that is something we always look at last. That is very strange.

The Hon. D. J. Wordsworth: Maybe the sheep down there have a vote.

The Hon. R. T. LEESON: I thank the member for his help. I wonder why no mention of human loss has been made in the Bill. It seems strange, in 1982, such mention has not been made. We do not concern ourselves with the fact that if some of these sprays can kill animals, it is possible that they could kill or maim humans.

I am aware of some of the instances where such things have happened to people in industry and this has been realised many years later, when it is too late. I hope this is not another case of that type of occurrence.

We have heard of some horrendous things resulting from aerial spraying in peace time and war time. Litigation is still taking place in other parts of the world because of mistakes that have been made.

I would like to issue the warning that such things could occur. Perhaps in the future we might include humans along with stock, wheat, barley and oat crops because they are important. I hope this legislation goes some way towards ensuring that some safety will exist in respect of this horrendous occupation.

THE HON. P. H. LOCKYER (Lower North) [8.48 p.m.]: I support the Bill but I am a little concerned that it has not gone far enough to deal with the condition and the licensing of the aircraft which carry out the crop spraying. Perhaps the safety of these aircraft may not have as high a priority as it should.

The Hon. A. A. Lewis: The licences come under the Federal Act.

The Hon. P. H. LOCKYER: They come under the licensing provisions of the Department of Aviation and I am wondering whether they are policed as they should be.

I am sure a seasoned member such as the Hon. A. A. Lewis who would have a large number of crop spraying aircraft in his electorate would be better versed in this matter than I.

The Hon. G. C. MacKinnon: When you say "seasoned" do you mean "dried out"?

The Hon. A. A. Lewis: That is the first time I have been called that.

The Hon. P. H. LOCKYER: When dealing with such senior members of the House I do not wish to make a mistake.

I take care to say that the pilots who operate these particular aircraft have a pilot rating certificate which must be obtained by passing an examination set by the Department of Agriculture. I assume this legislation will ensure that the people who fly these aircraft are rated appropriately by the Federal Department of Aviation.

This is important because I would be fearful of people who are correctly endorsed on a particular aircraft flying aircraft that are not up to the required standard.

The Hon. A. A. Lewis: Would you like the same people to fly the police aircraft?

The Hon. P. H. LOCKYER: The member knows my view on police aircraft. We have all the private air forces we need.

I am sure the Minister may wish to give an undertaking that he will seek from the Department of Aviation an undertaking that the aircraft and the pilots will be suitably rated under conditions that comply with the law.

THE HON. D. J. WORDSWORTH (South) [8.50 p.m.]: To put to rest the mind of the member for Lower North, I have a publication of CSBP & Farmers called *Our Land* of September 1982 in which Mr Dick Giles has made a comment about agricultural pilots. He said—

> "Agricultural pilots are well trained and careful," he says. "I'd fly round the world in a light plane with one of them but I doubt if I'd do the same with any other pilot."
>
> First they have to qualify for a private pilot's licence before continuing on their training to obtain a commercial licence. Then they have to complete 50 hours of specialised training at one of Australia's four agricultural aviation schools before receiving the necessary endorsement on their commercial licence.

In addition, for the rest of their flying careers thay have to comply with the stringent safety requirements of the Commonwealth Department of Aviation.

The Hon. P. H. Lockyer: Thank you.

THE HON. NEIL McNEILL (Lower West) [8.51 p.m.]: In view of the comments that have been made I cannot help but take the opportunity to refer to that feature of the Bill which I find a little fascinating; that is, we are amending a State Act to remove a reference to the air navigation regulations of the Commonwealth and to substitute for it a reference to something which comes under State legislation. In other words, reference will be made to the Commonwealth and the proposed provision will refer to the owner of any aircraft that has been modified to carry out aerial spraying.

We were given to understand originally that under the parent Act, along with licensing under the Commonwealth air navigation regulations, a person had an obligation to take out insurance cover to the extent of $30 000 in respect of each claim that may be made.

However, the difficulty is that it has not been possible for the Commonwealth to enforce this because the aircraft used for aerial spraying are not being properly licensed and are therefore not caught by the provisions which require insurance, and this has brought about the necessity for the amendment.

It seems to me to be a rather curious state of affairs that the Commonwealth, which is the dominant and senior law enforcement agency in respect of the use of aircraft for whatever purpose, is unable to prosecute under its own legislation, and because of that inability the responsibility to do so falls on the State Government and the State instrumentality, which has nothing to do with aviation or the operation of aircraft. This situation has been caused by one isolated incident.

I do not dispute for a moment the necessity for the legislation, because insurance must be taken out and proper cover must be provided for all sorts of dangers and claims. The cover must be provided; so a device is necessary to ensure that any aircraft which is modified to the extent that spraying can be carried out is covered by the necessary insurance policies.

I would have thought that if it is possible for the Department of Agriculture to catch the owners of aircraft which have been so modified and force them to provide insurance cover, surely it would be equally possible for the Commonwealth, which really polices the air navigation regulations, to catch them. I find it rather curious it has been unable to do that. The only way in which the Department of Agriculture, as a responsible State authority, could be successful in any action would be to catch the aircraft and operator in the process of spraying. It is a strange circumstance indeed.

I would have thought that in pure logic it would have been the other way around—the Commonwealth should have tidied up its Statutes in order to ensure compliance with its regulations rather than what is happening here. If the Commonwealth were able to do that, no necessity would exist for the State to take this action. It is like putting the cart before the horse.

Those comments do not attribute to me any lack of support for the Bill because we need the Bill and the protection of insurance cover. I will not give any encouragement to any operator to carry out illegally these activities which are quite dangerous and could have some dangerous effects, not necessarily on human beings.

I will not attempt to answer the Hon. Ron Leeson's claims. I will leave that to the Minister who is in a much better position to do so. We are dealing with agricultural spraying legislation and that is the reason the Bill does not mention human beings. I am sure many other Statutes provide protection and cover for the human species in situations such as this.

With those comments I support the Bill.

THE HON. J. M. BROWN (South-East) [8.57 p.m.]: In support of the Bill I wish to carry on from the remarks made by my colleague, the Hon. Ron Leeson about chemical sprays. It is the belief of the majority of the members of the great eastern districts section of the Country Shire Councils' Association that chemical sprays cause a great deal more damage than we give them credit for.

It was the recommendation of those people that people with technical skills ought to look at the operations of aerial spraying with a view to bringing forward recommendations in respect of reducing the hazards and making this essential service much more beneficial to the users.

I offer that comment to the Minister, knowing well nothing can be done at this time; but I think the Minister ought to look at the technical side of aerial spraying because while an insurance cover is demanded, some farmers believe there is not the same opportunity to seek compensation for any errors of judgment.

I make those comments advisedly to the Minister in support of the amending Bill and say this is an area which should be considered.

THE HON. W. M. PIESSE (Lower Central) [8.59 p.m.]: I support this legislation but I think it is an unfortunate indictment on the degree of civilisation that we have reached, that we can no longer trust people to do as they say they will.

The main clause in the Bill refers to the owner of any aircraft that has been modified to carry out aerial spraying. The aircraft need not necessarily carry the aerial spraying equipment, but if it is modified to do so we in Western Australia must take extra precautions. I find this food for very serious thought in this day and age. It is also a pointer to the fact that here again in this far-flung State we have to look after our own affairs, and we cannot depend on Commonwealth legislation to cover the whole of Australia, as the Hon. Neil McNeill has said. It concerns us very much, and obviously it concerns the Hon. Neil McNeill, that the Commonwealth cannot be depended upon to police this kind of thing. We in Western Australia must look out for ourselves.

I support the legislation; but I fear we may have to do still more.

THE HON. G. E. MASTERS (West—Minister for Labour and Industry) [9.02 p.m.]: I suppose it is a reflection on this House that two Bills that went through another place in a very short time—a matter of minutes—have taken two to 2½ hours of debate in this House.

The Hon. Neil McNeill: It does not reflect on this House.

The Hon. G. E. MASTERS: It reflects well on this House and shows the thoroughness with which this House pursues its investigations of the legislation before us. Having said that, I hope this goes through very sharply.

I will answer the Hon. Ron Leeson's point first. I think everyone in the State, and certainly in Parliament, shares the concern expressed by him in relation to the use of chemicals. They are very strictly controlled; the Public Health Department has a great say in their use. Nevertheless, concern exists also in the community in relation to their use and the possible repercussions in years to come. As far as possible, an awareness exists of the dangers, and of the necessity to use these chemicals properly and carefully. Most of the care that is taken is as a result of investigations over a number of years. I trust the Public Health Department to consider these matters very carefully and to administer them in the way we would wish.

In this Bill we are requiring the owner of any aircraft that has been modified to carry out aerial spraying to carry the insurance and we are doing that for a very good reason. At least one pilot is operating who is not qualified and not licensed, and who cannot be caught. I understand we can find the aeroplane and it can be inspected on the ground like any other aircraft, but as soon as the inspectors and those responsible for making sure the rules are obeyed go around the corner, the person jumps into the aircraft and goes about his business. They literally cannot catch him.

We are changing the Act for this reason, and also for the very good reason that a need exists to protect farmers, crops and stock. If a mistake is made they will be covered by insurance and will not have to take this precaution themselves. An aircraft can travel a long distance and can operate anywhere in the State within one or two days. We have brought forward this Bill to protect the interests of farmers and the public. It is unfortunate that the Commonwealth and those officers responsible have not caught the pilot getting into the aircraft or landing. They cannot catch him and that is why we have brought forward the legislation. The Hon. Phil Lockyer has a great understanding of these matters and is a highly qualified pilot himself. He is more qualified than anyone else in this place with about 2 000 hours to his credit.

The PRESIDENT: Order! There is far too much audible conversation. I ask honourable members to lower it.

The Hon. G. E. MASTERS: The Hon. Phil Lockyer raised the point that pilots should be highly trained and their aircraft need to be thoroughly inspected. He said it must be ensured also that the pilot and aircraft were capable of carrying out the difficult task involved in chemical spraying—a dangerous task to the public generally and to the pilot.

The Hon. P. H. Lockyer: Didn't you own and operate an aircraft yourself?

The Hon. G. E. MASTERS: Yes.

The Hon. P. H. Lockyer: Do you agree with my remarks?

The Hon. G. E. MASTERS: Yes. I do not have the experience of Mr Lockyer. I acknowledge that point and will pass it on to the responsible Minister, but I am sure the matter is thoroughly covered in the regulations.

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. G. E. Masters (Minister for Labour and Industry), and passed.

CRIMINAL INJURIES COMPENSATION BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. I. G. Medcalf (Attorney General), read a first time.

Second Reading

THE HON. I. G. MEDCALF (Metropolitan—Attorney General) [9.09 p.m.]: I move—

That the Bill be now read a second time.

The original Criminal Injuries (Compensation) Act came into operation in January 1971 and, in the light of experience between then and 1976, amendments were introduced in that latter year. As further problem areas developed in connection with the Act in the following years, it was decided to review the entire Act. This review led to a number of options being considered. Initially, it was thought possible to improve the present system of having applications dealt with by the various courts. A number of problems were associated with this approach.

The court system is relatively formal and victims of offences were reluctant to appear again in a court to talk about the nature of their injuries. Especially was this so for victims of sexual offences. The use of affidavits alleviates some of the distress associated with a court hearing but does not eliminate it.

Some victims were unwilling to mount their claims for compensation as the cost and inconvenience offset the likely compensation award. In addition, some parts of the present Act involved legal complexities, and gradually most claims came to be presented by legal practitioners. Legal costs then tended to negate part of the award made by a court.

As doubts persisted on the desirability of simply upgrading the present system, the review was extended to examine compensation schemes in other places. Some States of Australia were looked at more closely, as was the system in the United Kingdom. We looked again at the Law Reform Commission report of 1975 and the reports of various crime compensation boards in America and Canada also were taken into account.

The end result of this research was a proposal for a new Act to take crime compensation away from the court system and put it in the hands of an independent assessor. It is contemplated that in many cases he will be able to deal with applications with administrative informality and without the need for a hearing. In addition, it is anticipated that victims of offences will be able to initiate their application in writing and pursue their claim for compensation personally.

While the assessor will be empowered to hold the hearing should it be necessary and take evidence on oath, he is required also to act speedily and informally on applications made to him, having regard to the requirements of justice and unfettered by legal rules relating to evidence and procedure. The proceedings will be in private unless there is good reason to the contrary, and while publication of his finding and decision on an application can occur, power is provided to protect the names of persons involved should the public interest require.

It is intended that the assessor will inform himself of the circumstances giving rise to the application from the transcript of trials, depositions, police and Crown Law files, exhibits and other documents and he may seek and obtain any additional information he considers necessary to deal properly with the application. He may speak to victims and view their injuries, and if the making of a compensation award is objected to he must give the assailant an opportunity to be heard. Should he decide upon a hearing of his own motion or at the request of one of the persons interested in the application, provision is made for notification of those persons of the time and date of hearing.

Where an award of compensation is made in favour of an applicant the assessor must go on and where possible make a finding as to the person responsible for the injuries to the applicant. The compensation awarded is thereupon paid out of Consolidated Revenue to the applicant and the amount so paid out will become a debt owed to the Crown by the person found responsible for the injuries or loss. The amount will be recoverable from the assailant by the Under Secretary for Law in a court of competent jurisdiction.

Careful consideration has been given to the maximum amount of compensation payable under this Act. In the light of competing claims on Consolidated Revenue, amounts payable in other States have been looked at. The Government's decision to increase the maximum to $15 000 puts it in the forefront of other Australian States. It will also be possible in future under this Bill to amend the maximum by regulation, but it needs to be re-

membered that the average compensation awarded to victims of offences is currently about $2 500. Only a small percentage of applicants will genuinely attract the maximum compensation.

It was recognised at the outset by the former Chief Justice that the Criminal Injuries (Compensation) Act provided a limited scheme for the compensation of crime victims. It has not in Australia, and in most other places in the world, been seen as economically realistic to make the taxpayer the unlimited and comprehensive insurer of crime victims. In this respect, the compensation amount differs from civil damages in tort which embrace concepts of future economic loss and where the risks of damages claims are insured against.

The new proposal to constitute a criminal injuries assessor and remove applications for compensation from the arena of formal court proceedings was put before the courts committee of the Law Society of Western Australia for consideration. The proposal received favourable endorsement by that body subject to the provision of a right of appeal from the decisions of the assessor. I have been happy to accede to that request and there is now for the first time an express right of appeal to the District Court. That appeal will be in the nature of a review of the assessor's decision and will be final.

In addition, it has been foreseen that applications may be made of such difficulty or complexity that the assessor may believe they would be better dealt with by the District Court. In such a case, if he is of that opinion, he may refer the application to the District Court to be dealt with by a judge. The judge will then sit as if he were the assessor. Under the Bill the assessor will not have power to award costs on any application before him, but on appeal the District Court will be empowered to award costs to a successful appellant according to a prescribed scale.

Regulations will, of course, be necessary to give effect to the legislation and these will be drafted to ensure a speedy commencement of the new scheme. This Bill will take effect and become law on a date to be proclaimed and will apply to injuries or loss sustained in consequence of the commission of an offence or an alleged offence on or after that date of proclamation.

The Bill now before the House is divided into a number of parts and I intend to deal with each part in some detail.

Provision is contained in the Bill for the appointment of the assessor. The appointment will be for a term not exceeding five years, and the provisions relating to that appointment are contained in the schedule to the Bill. It is not anticipated, initially at least, that the assessor would be required full-time, and, as a result, a part-time appointment may be made.

Applications for compensation may be made in writing to the assessor where a person has suffered injury or loss as a result of the commission of an offence or an alleged offence. "Injury" is defined in the same way as exists under the present legislation. The applicant also can claim compensation for loss, which is defined to include expenses actually and reasonably incurred by the applicant or by a person responsible for the maintenance of the applicant. The definition under the existing legislation makes provision for damage to items of personal apparel and loss of earnings suffered by the applicant as a result of the offence.

In the case of a victim dying as a result of the offence, provision is made for the personal representative of the deceased person to make an application for loss, which is defined as loss in respect of which a person could claim damages under the Fatal Accidents Act. Although slightly different terminology has been used from the existing legislation, the right to compensation remains substantially the same.

Whereas a personal representative defined in the Bill can bring an application on behalf of close relatives of a deceased victim, problems may arise also where the victim is a child, or is incapacitated by reason of unsoundness of mind. An application now will be able to be made on behalf of a child by his parent or a person acting in place of a parent, or by a manager appointed under the Mental Health Act, or the Public Trustee, whichever has the requisite capacity in law. Persons who have an incapacity therefore are not prejudiced in bringing a claim for compensation.

The Bill introduces for the first time into the legislation a time limit within which an application can be made. The period provided, whatever the nature of the application, is three years from the date of the offence, or the alleged offence or offences, which gives rise to the injury or loss. No time limit for bringing an application is in the existing Act, but as the legislation has been in operation now for over 10 years, it is believed that all genuine claims would have been brought. Should an injustice arise as a result of the time limit, the assessor is given power to extend the period, with power to impose conditions.

The Bill sets out those persons who are recognised by the Act to be interested in an application. They are, of course, the applicant himself, and any person who might in the opinion of the as-

sessor become liable in the end result to make repayments of compensation to the Crown. In addition, provision is made for the assessor to allow any other person into the proceedings if he is satisfied that that person has a substantial interest in them.

Provision is made for the giving to the offender of notice of an application. I have mentioned already that the assessor will be required where possible to nominate the person responsible for the injury or loss. In addition, the person found to be so responsible will be under a debt created by the Statute to make repayments of the compensation paid out of Consolidated Revenue to the Crown; and that debt will be recoverable by the Crown in a court of competent jurisdiction.

Because of this scheme, and the desire to place the legal and moral responsibility for his wrongdoing on the offender, it follows that the offender must be given every opportunity to be heard and voice whatever objections he may have to the making of a compensation order. This rule of natural justice is recognised, and the Bill provides for service of notice of the application upon the offender by registered post.

Experience has taught us in the past that every so often the offender or offenders do not want to be heard, and in many cases the conviction by a court will establish the offender's identity beyond doubt. Nonetheless, attempts will be made to recover moneys paid out of public funds from the person responsible for the injury or loss, and it becomes necessary to afford the offender a right to object to the making of a compensation award.

It has been recognised that the assessor ought not to be limited solely to the material put before him by the applicant. For this reason, the assessor is to be allowed to make such other inquiries and investigations as he thinks fit in order properly to assess all the circumstances relevant to an application before him, and to issue a notice requiring persons to produce books and documents and to furnish information to him. An example of such material may be further medical reports or documents resulting from the police investigation. He may also defer consideration of an application if he thinks it is necessary to obtain more information for the purposes of his decision.

The Bill contains a requirement that hearings before the assessor shall be in private unless he considers that in the circumstances the hearing shall be in public.

Part V of the Bill deals with the making of the award and payment of compensation, and includes provision for the making of an award of compensation to an applicant or to close relatives of a deceased victim. The amount shall not be in excess of the maximum of $15 000; but it may be apportioned in the case of relatives as the assessor thinks proper. In the case of children, he is given a power to direct that any compensation awarded to them be held in trust for their benefit.

A copy of the order drawn up by the assessor is to be forwarded to the Under Secretary for Law.

Provision is made for the assessor's reasons to be forwarded to each person interested and to the Under Secretary for Law.

The assessor must be satisfied about quite a number of matters before he makes his award of compensation. The claimed injury or loss must have occurred in consequence of the commission of an offence or alleged offence. The offender must have no sufficient defence against liability in respect to an offence or an alleged offence. In other words, the Act will not provide compensation where injury has been entirely accidental or where, even in civil law, there would be no liability on the person who caused the injury. Put simply, a person will not receive compensation, and another person will not be required to be responsible for repayment of compensation, unless the assessor is satified that there has been a wrong in the law of tort.

While this concept raises some legal complexities for the assessor, past experience indicates the problem will arise only rarely. Nonetheless, the provision has been inserted because it is felt it would be unfair to make a person responsible for repayment of compensation if such a person would not be responsible for damages in a civil court.

Further to the above, the assessor needs to ensure that an applicant does not double up on his compensation. Where, in the opinion of the assessor, an applicant has reasonable grounds for taking proceedings independently of this application for compensation or damages, the assessor may require him to do so. An example might be where the assessor believes that the applicant would be entitled to payments under the Workers' Compensation and Assistance Act.

The Bill allows the assessor to deduct any amount from the compensation if he is satisfied that the applicant will be paid compensation or damages independently of the legislation. Where, subsequent to an application for compensation, an applicant claims compensation or damages under some other Act, provision is made for the recovery of the criminal injuries compensation by the Crown.

The combined effect of the related clauses in this regard is to ensure that an applicant does not

get compensation or damages from several sources for the same injury or loss.

The situation whereby an applicant has a relationship with or a connection with the person who committed the offence or alleged offence as contained in the Act to be repealed has been expanded upon and clarified. The assessor is required not to make an award of compensation where that award is likely to result in a benefit or an advantage to the person who committed the offence or alleged offence.

Another factor relevant to the making of an award also is covered in the Bill. The assessor is required to have regard for the actions of the applicant in bringing the offence or alleged offence to the attention of the authorities and to examine whether the applicant has done everything reasonable to assist in the detention, apprehension, or prosecution of the offender.

The behaviour of the victim himself has always been critical in crime compensation schemes. It has always been regarded as contrary to the public interest to pay compensation out of public moneys to a crime victim where the victim can fairly be described as the author of his own misfortune; and the extent to which a victim has contributed directly or indirectly to his own injuries has always been a factor taken into account in the making of an award for compensation.

The Bill allows the assessor to apportion responsibility between the victim and the assailant, and reduce the amount of compensation which otherwise he might have awarded by the extent to which the victim himself contributed to his injuries or loss.

Provision is made for a general discretionary power entitling the assessor to take into account whatever factors or circumstances he regards as relevant to the making of an award.

It has been mentioned already that compensation will be paid out of the Consolidated Revenue Fund. In that respect, it is not different from what has occurred in most cases under the present legislation. However, the discretion of the Treasurer under the present legislation has been removed, and the amount awarded by the assessor will be the amount paid to the victim, subject only to the right of appeal.

The Bill recognises that where the victim of an offence is a child or a person under incapacity, certain expenses resulting from the injury or loss may be met by the parent or the person administering the victim's assets. The clause allows the assessor to order that some compensation be directed towards reimbursing the parent or administrator who met the expense in the first place.

A provision in the Bill creates the statutory debt against the person stated or found by the assessor to have committed the offence or alleged offence to which the award of compensation relates. As mentioned above, that debt is recoverable in a court of competent jurisdiction.

I have referred already to the right of appeal, and part VI of the Bill deals with that topic. A clear right of appeal is given not only to an applicant against the decision of the assessor, but also in this provision to the assailant as well, being the person responsible for repayment of the statutory debt. In addition, as mentioned, the Under Secretary has been given a right of appeal.

An appeal shall be commenced within 21 days after the date of the order; but that time may be extended by leave of the District Court. The appeal may be determined solely upon the evidence or information in the hands of the assessor; or the court may receive further information or evidence as it thinks just.

When the District Court judge sits on the appeal, he functions as the assessor, and the proceedings are in the nature of a re-hearing of the application.

Whether the District Court deals with a matter referred to it due to its complexity or difficulty, or whether it deals with the matter coming before it on appeal, its decision is final.

The Bill allows the assessor to publish his findings. It is only if the public interest requires that he may make an order to prevent publication of his reasons for decision, or any names set out in his order or findings. While it is considered desirable for the assessor to deal with applications privately and any hearings should also be in private, the reverse situation is designed to apply to his order and reasons for decision.

It is believed desirable that the assessor should ensure that the public are informed of the nature of applications made under this proposed Act, and for that reason the results of his deliberations will be made public unless the circumstances of the particular case lead him to order otherwise.

During the Committee stage, I propose to put forward amendments to provide, among other things, that the assessor shall have the qualifications of a judge, and to delete the provision that witnesses may be required to give self-incriminatory answers.

I have dealt with the provisions in some detail because the Government has broken new ground in Australia with this legislation. I am sure it will be well received by the public, particularly by those who suffer as the result of criminal injuries. We will now have a simple, understandable, and

expeditious procedure to enable those people to receive some good measure of compensation. The maximum amount will be the highest in Australia; and some flexibility will exist, as provision will be made for increase by regulation in due course without further amendment of the Act.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. Fred McKenzie.

LAND AMENDMENT BILL (No. 3)

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. G. E. Masters (Minister for Labour and Industry), read a first time.

Second Reading

THE HON. G. E. MASTERS (West—Minister for Labour and Industry) [9.27 p.m.]: I move—

That the Bill be now read a second time.

The main purpose of this Bill is to implement a commitment to broaden the compensation rights available to pastoralists when land is resumed from pastoral leases.

In late 1980, amendments to part VI of the Land Act were enacted which honoured part of the general commitments made to the Pastoralists and Graziers Association following the release of the Jennings report on the pastoral industry. Those amendments dealt with an increase to 500 000 hectares of the limitation on beneficial ownership of leases, and with the establishment of the Pastoral Board with additional representation from the industry. Since that time, further progress has been made in that an executive officer has been appointed to provide pastoralists with a direct and accessible point of contact to the Pastoral Board, and Pastoral Board functions have been co-ordinated in improved premises within the central Government building in Perth.

For some time, pastoralists have been concerned at a possible increasing incidence of resumptions from leases for varied purposes and at the fact that compensation entitlements were restricted to lawful, physical improvements with no recognition of the adverse effect of resumption on the productive capacity of a station.

This situation has been represented as inhibiting pastoralists from investing large amounts of capital in stations because of the uncertainty as to possible future resumptions and the risk factor that compensation would not recognise such expenditure or the effect of the land loss on the viability of a station. Negotiations between the Government and the pastoral industry have proceeded for some time, resulting in a commitment to broaden compensation rights and procedures so that relevant factors other than just lawful physical improvements could be considered as a basis for compensation. For the first time in the history of pastoral leases in this state, changes in the value of the productive capacity of a lease will be included as an additional basis for compensation.

Discussions with the Pastoral Board, Crown Law, Valuer General, and Public Works Department officers confirmed that the most appropriate action to meet the situation would be to utilise the existing provisions of the Public Works Act as to compensation basis, procedures, and ancillary entitlements. The Bill proceeds on this premise in that it provides that any resumptions from pastoral leases shall be effected under and subject to the Public Works Act as if the land were required for a public work.

Provision is made also to delete any requirements of the Public Works Act not considered appropriate to the pastoral lease resumption process—sections 29 to 33B—and to retain Land Act provisions relating to the tenure restrictions inherent in a pastoral lease. By virtue of this approach the base for compensation is broadened, and peripheral benefits contained in the Public Works Act relating to the provision of a 10 per cent solatium for compulsory taking; interest payment on compensable value; rights of objection to resumption; and referral of disputed claims to a compensation court, become available.

The purposes for which land can be resumed from pastoral leases under the Land Act are broader than that under the Public Works Act, which is limited to a "public work", and these broader purposes have been retained in the Land Act as complementary provisions in section 109.

The Bill provides also that resumptions for public roads will continue under existing Land Act compensation provisions which are restricted to the effect on lawful physical improvements. Such resumptions will not involve major land excisions from pastoral leases and could be of overall benefit to pastoralists, particularly in the remoter northern regions.

The existing provision for compensation for the non-renewal of an expired pastoral lease based only on the effect on lawful physical improvements has been retained also.

The effect of these amended pastoral lease provisions on other Land Act tenures has been examined and it has been necessary to include amendments relating to such tenures as conditional-purchase leases and special leases in order to avoid any inconsistencies or anomalies. These tenures

will be subject also to resumption and compensation procedures under the Public Works Act with complementary provisions of the Land Act retained in order that compensation factors have regard to the respective tenures involved. In actual practice over the years, resumption negotiations in respect of these tenures have embraced Public Works Act principles in the main. Provision for land exchange as a compensation medium will not be affected by this amendment as the Public Works Act has a similar provision to the Land Act in this regard.

Other miscellaneous amendments to part VI of the Land Act also are contained in this Bill, reflecting initiatives put forward by the Pastoral Board with the general agreement of the industry.

These amendments range from the desirable provision of deputies for members of the Pastoral Board to provisions which update the requirements for the maintenance of improvements on pastoral leases in accordance with improvement plans approved by the board. Certain outdated requirements relating to stocking viability of leases have been amended to delete rigid stock ratios.

There is one omission from the Bill; that is, provision for a licence system to cover tourist operations on pastoral leases. This matter was discussed with the industry with a view to legislation, but legal difficulties resulted in a decision to defer the matter until next year when it can be considered in association with a close review of the Land Act. However, it is stressed that existing tourist operations will not be prejudiced by this omission and the status quo will be maintained until the amendments can be effected.

In summary, this Bill is the vehicle for further improved conditions which will go a long way to enhance the future of the pastoral industry and to give it greater stability and security. The Bill is tangible proof of the Government's continuing commitment to improve the overall viability of an industry which is of great importance to the State.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. J. M. Brown.

CHICKEN MEAT INDUSTRY AMENDMENT BILL

Second Reading

Debate resumed from 2 November.

THE HON. J. M. BROWN (South-East) [9.35 p.m.]: At the risk of not being consistent, I do not intend to spend much time on this Bill because, firstly, it was well canvassed in another place and, secondly, the Minister has given me an assurance that certain producers will not be disadvantaged as was thought initially.

It is important to note that, while my remarks will be brief, I am aware of the necessity to reconstitute the committee. Previously, the committee made decisions by consensus; it is intended now that there should be a majority vote. The committee is to consist of a voting chairman, two grower representatives, two processor representatives, and two independent members appointed by the Minister.

The Bill provides also that broiler chickens will not be raised except in shedding approved by the committee. This point was of concern to members generally. While the restriction will apply to both grower and processor facilities, approval for shedding will be valid for such period as specified by the committee, which may also withdraw the approval at any time. It is important to note that an appeal to the Minister is available against refusal to approve of shedding or the withdrawal of such approval.

We all understand how the standard price is set for broiler chickens and for the marketing of chicken meat; we understand the situation in respect of the suitability of shedding for broiler growers.

It is worth noting the Bill contains a sunset clause providing for the expiration of the legislation after seven years, subject to review after five years. So the industry will be under constant review.

We support the Bill.

THE HON. I. G. PRATT (Lower West) [9.38 p.m.]: I am pleased this Bill is now before the House because the broiler industry has experienced unfortunate difficulties in recent times. I say I am pleased with crossed fingers, because I hope it will achieve that which it sets out to achieve.

Up till now growers have been at the mercy of processors. With a committee comprising three processors, three growers, and a non-voting chairman who is an officer of the department, we had something of a stalemate situation, particularly as we had to rely on a consensus view. When agreement was not reached an arbiter was called in.

In recent times a decision had to be reached on the price to be paid by processors. The arbiter agreed on a certain price; however it was not satisfactory to the processors, so they just refused to pay it.

Following on from this the processors said that they had too many producers and some would have to go out of business. The result was that the

growers started to look around at each other wondering who would lose his quota. It must be understood that the investment in the broiler industry is considerable.

The Bill provides for a committee composed of two industry representatives, two processor representatives, two independent members, and a voting chairman, so it should be able to make decisions.

The right of appeal to the Minister is also a valuable provision contained in the Bill.

It is significant also that shedding must now be approved by the committee. Previously it was written into the agreements between the processors and the growers that the shedding had to be to the satisfaction of the processors. So we had the situation where at any time the processors could approach a grower and say, "I do not like your shedding; do something about it."

It was suggested strongly that this was used as a form of coercion by the processors to have the growers accept prices they did not believe were economical. However, the growers were not prepared to make too much noise in case the processors said, "Your shedding is not acceptable. We won't supply you with any more chickens and we won't be buying any back from you because you won't have any."

I repeat: I hope the Bill does provide the answer to our problems; I am sure it will provide part of the answer. However, I say to the Minister that if it is not the answer to our problems and if we still find the growers are at the mercy of the processors, who have now shrunk to an extremely small group which exerts great power, we will have to bring in amending legislation. I will certainly move to do so if things do not work out as we hope they will.

THE HON. G. E. MASTERS (West—Minister for Labour and Industry) [9.42 p.m.]: I thank members for their support of this legislation. I am sure they understand the importance of the industry, as all members do. I know the Hon. Ian Pratt has some knowledge of the industry and knows the threat facing some of the growers from time to time. The Hon. Jim Brown discussed this matter with me prior to the introduction of the Bill to this House. I gave him an assurance that the growers under threat had been dealt with in a way satisfactory to them and to the industry. I place that on record for the benefit of the Hon. Jim Brown.

I hope this sort of legislation does not come before us again and that the matter is now truly resolved. Both the Hon. Ian Pratt and I have been involved for a number of years in trying to provide a conclusion to this matter and to overcome the problems facing the industry, as growers and processors seem to have been at loggerheads for a long time. Perhaps the restructuring of the committee will enable reasonable decisions to be made and so allow the industry to settle down and to serve the public in the way we all hope it will. It is a most efficient industry, probably one of the most efficient in this State and the country. It has brought down production costs to a level at which most people in the community can now purchase its products easily, when at one time they were luxury items.

I share the hope of all members that the industry will operate effectively and successfully in the future.

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. G. E. Masters (Minister for Labour and Industry), and passed.

RESERVES BILL (No. 2)

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. G. E. Masters (Minister for Labour and Industry), read a first time.

Second Reading

THE HON. G. E. MASTERS (West—Minister for Labour and Industry) [9.46 p.m.]: I move—

That the Bill be now read a second time.

This Bill contains 16 separate proposals for variations to Class "A" reserves which require the endorsement of both Houses of Parliament to become effective.

Class "A" Reserve No. 22576 containing about three hectares is set apart for "public park and protection of natural flora" and is under the control of the Kalamunda Shire Council. The reserve, created in 1946 to retain the "attractiveness of the rural and suburban countryside" now stands in the centre of the Kalamunda townsite and is used mainly as a short-cut to the business area. Because the purpose includes "protection of natural flora" the reserve is classified under the Wildlife Conservation Act as a nature reserve

controlled by the Western Australian Wildlife Authority. However, as no significant flora occurs on the reserve the Wildlife Authority has requested the purpose be changed simply to "park". The Shire of Kalamunda agrees with the proposed change and requests the reserve be formally vested in the council.

Class "A" Reserve No. 14289 situated between the Shires of Capel and Donnybrook-Balingup, is set aside for "reforestation" and is not vested. In 1928 the Forests Department revoked a number of reserves and dedicated the subject land as "State Forest No. 27". It has been discovered subsequently that one of the reserves, No. 14289, is of Class "A" and cannot be cancelled without Parliamentary approval. To avoid duplication of purpose, the Forests Department has requested formal cancellation of the reserve.

Approximately 25 years ago lessees of several Hay locations near Irwin Inlet cleared and cultivated about 40 hectares of Crown land in conjunction with their own properties. Despite receiving a number of requests for alienation of the land, it was decided that the area should be retained and allowed to regenerate and accordingly the land was included within the adjoining Walpole-Nornalup National Park.

Continual applications for release of the area have been submitted at various times and the National Parks Authority has resolved now that the land be excised from Class "A" Reserve No. 31362 and made available to adjoining holders.

Class "A" Reserve No. 27004, Kalbarri National Park, is vested in the National Parks Authority for the purpose of "national park". The Shire of Northampton, supported by the member for Greenough and local business groups, favours the release of part of the reserve for a tourist equestrian centre.

The report of the west coast working group, subsequently endorsed by the Environmental Protection Authority, recommends a number of changes to the reserve which ultimately will increase its area. The report makes provision for an equestrian facility, defining the most appropriate site and suitable management conditions to minimise environmental disturbance.

To make the land available for release an area, surveyed as Victoria Location 11493 containing about 22 hectares, will require excision from the reserve. The balance of the working group's recommendations affecting the reserve are being processed and will be presented to Parliament in a subsequent Reserves Bill. The importance of the planned equestrian centre as an adjunct to tourist development at Kalbarri warrants a separate submission at this stage.

Class "A" Reserve No. 11681 is set apart for "Parklands" and is under the control of the City of Gosnells. The reserve, which adjoins the eastern boundary of the Gosnells granite quarry and is operated by the Readymix Group (WA), is the subject of a land exchange whereby Readymix will swap about 255 hectares of freehold land for about 143 hectares of Crown land.

The Government will benefit by the proposal, receiving nearly twice the area of land which it surrenders and, in addition, will gain several natural features contained on the freehold land considered of high conservation value. An environmental review and management programme commissioned by the company examined all aspects of the exchange and following consideration by the Environmental Protection Authority, the Government approved the exchange.

In order to effect the exchange, an area of about 113 hectares will need to be excised from Reserve No. 11681, but as the reserve is of Class "A", the approval of Parliament is required.

Class "A" Reserve No. 1814 situated at York is set apart for "parklands" and vested in the Shire of York. The reserve, known as Centennial Park, has an historical association with the pioneers of York and because of this the York Shire Council wishes to build a frail-aged home on it. To achieve this, portion of the reserve, now surveyed as York Lot 596 is to be excised and the remainder landscaped to form a backdrop to the development.

Class "A" Reserve No. 6922 situated in Darlington is vested in the Shire of Mundaring for the purpose of "public park". The reserve, containing about 41 hectares, is largely virgin bush except for a small portion adjacent to Great Eastern Highway which contains the Bilgoman Olympic pool and associated facilities.

The shire has been approached by several firms interested in developing water slide facilities adjacent to the pool. Council has agreed in principle to a lease of land for the development provided that a suitable area which includes the swimming pool and facilities is excised from Reserve No. 6922, the subject area reserved for the purpose of "aquatic centre" is vested in the council, and the council is given power to lease for up to 21 years.

A suitable area containing about six hectares and identified as Greenmount Sub Lot 556 has been surveyed.

Class "A" Reserve No. 29977, containing about 72 hectares, is situated near the Meenaar townsite and is vested in the Western Australian

Wildlife Authority for the purpose of "conservation of flora and fauna".

The Main Roads Department, as part of a Commonwealth funded programme to improve national highways, proposes to realign Great Eastern Highway, east of Northam. Part of the realignment encroaches on to Reserve No. 29977, necessitating the excision of an area of 7.2170 hectares from the reserve. The Department of Fisheries and Wildlife is satisfied that the excision will have no significant impact on the reserve and, accordingly, has agreed to the proposal.

Hamersley Range National Park, comprising Class "A" Reserve No. 30082 is vested in the National Parks Authority for the purpose of "national park". The Main Roads Department, pursuant to an agreement between the State and Commonwealth Governments, proposes to construct an 18-kilometre section of the national highway between Newman and Port Hedland through the north-east corner of the reserve.

The National Parks Authority has agreed to the proposal provided that a number of environmental safeguards are implemented during and after construction. Parliamentary approval is sought to excise an area of about 400 hectares from the reserve.

Class "A" Reserve No. 21054, situated in East Perth, is set apart as a "disused burial ground" under the control of the National Parks Authority. A small portion identified as Perth Lot E113 is separated from the bulk of the reserve by Government requirements Reserve No. 23812.

A recent inspection revealed that Lot E113 is not being used for the reserve purpose and in fact now forms part of the police vehicle testing centre located on Reserve No. 23812. Consequently, the National Parks Authority has requested excision of Lot E113 from Reserve No. 21054 as it is of no further use to the authority. Parliamentary approval is sought to vary the Class "A" reserve.

Class "A" Reserve No. 11710 situated west of Waroona is vested in the National Parks Authority for the purpose of "national park". The reserve, comprising about 9 079 hectares, is known as Yalgorup National Park. As part of an ongoing programme to increase national parks and nature reserves, the Public Works Department, on the recommendation of the Environmental Protection Authority, has negotiated the purchase of freehold land now surveyed as Wellington Location No. 5334 for subsequent inclusion in Reserve No. 11710.

The subject land was transferred to Her Majesty the Queen, revested, and removed from the operation of the Transfer of Land Act, but cannot, however, be included in the reserve until parliamentary approval is given to amend the boundaries of the Class "A" reserve. The Bill seeks that approval.

Class "A" Reserve No. 27575, known as Neerabup National Park, is situated at Quinns Rocks and is vested in the National Parks Authority for the purpose of "national park". Due to isolation of portion of the reserve and portions of adjacent freehold land by the Mitchell Freeway alignment, the National Parks Authority and the freehold landowner, Mindarie Property Company Pty. Limited, have negotiated a land exchange.

The Shire of Wanneroo and the Department of Conservation and Environment have agreed to the proposal and the Land Purchase Board has recommended the exchange proceed on an equal value basis.

The excision of portion of the Class "A" reserve has received parliamentary approval in a previous Reserves Act. To complete the exchange, approval of Parliament now is required to include in the reserve the land formerly held by the company.

Class "A" Reserve No. 25141, at Cape Leeuwin, is set apart for the purpose of "recreation" and is vested in the Augusta-Margaret River Shire Council. Following negotiations between the shire council and the National Parks Authority, the shire agreed to surrender control over about seven hectares of Class "A" Reserve No. 25141, so that the land could be included within adjoining Class "A" Leeuwin National Park Reserve No. 32376.

The Lands and Surveys Department has effected a survey of the portion of reserve involved and authority is required to exclude the land from the reserve to enable its inclusion within the adjacent national park.

Class "A" Reserve No. 29713, located east of Ravensthorpe, is set apart for a "stopping place". The freehold owner of Oldfield location 995 wishes to exchange the eastern part of the location which contains several sections of non-arable land for the southern portion of Reserve No. 29713 on an equal value basis. The portion to be surrendered from location 995 is to be included in Class "A" "parklands" Reserve No. 29715 which will provide extra protection to the banks of the Oldfield River. Approval is sought to effect this exchange.

The Shire of Bayswater must relocate the Municipal Dog Pound to make way for the Beechboro-Gosnells controlled access highway. A suitable replacement site comprising Class "A" Reserve No. 20956, vested in the shire for the

purpose of "recreation", has been located in the Bayswater industrial area. The reserve, which is undeveloped, appears to have been used as a sand quarry and is of minimal value as a recreation area, particularly as it is divided by a feeder road connecting with the controlled access highway.

In order to make the site available to the shire, the present "A" classification must be cancelled and the purpose changed to "municipal purposes".

Class "A" reserve No. 13375 situated near the Causeway, East Perth, is set apart for "roads, park and public recreation" and is partly vested in the City of Perth. The Perth City Council wishes to establish a helicopter landing site on portion of the reserve adjoining the council's No. 4 car park. In the past, the area has been used as an emergency landing area due to its close proximity to Royal Perth Hospital and the council now seeks to provide a permanent facility which can be used by commercial, general and emergency traffic.

The Minister for Tourism supports the proposal and the Department of Aviation has no objection subject to a satisfactory inspection of the completed site. In order to excise the area, surveyed as Perth Lot 947 and containing 2580 square metres, from the Class "A" reserve, the approval of Parliament is required.

In accordance with usual procedure, the Leader of the Opposition has previously been provided with a copy of relevant notes and plans applicable to each variation, and I hereby table a further copy for the general information of members.

I commend the Bill to the House.

The papers were tabled (see paper No. 520).

Debate adjourned, on motion by the Hon. J. M. Brown.

House adjourned at 9.58 p.m.

QUESTIONS ON NOTICE

HOSPITAL: QUEEN ELIZABETH II

Staff

697. The Hon. D. J. WORDSWORTH, to the Chief Secretary representing the Minister for Health:

(1) How many qualified medical practitioners use the Queen Elizabeth II Medical Centre?

(2) What is the total number of staff, other than medical practitioners, employed full or part time at that hospital?

(3) What is the average bed occupancy?

(4) What is the average daily number of outpatients treated over the year?

The Hon. R. G. PIKE replied:

(1) Sir Charles Gairdner Hospital—

Hospital staff	273
University staff	22
Total	295

State Health Laboratories—

Public Health Department staff	16
University staff	8
Total	24

Note: The above figures include all medical practitioners employed to work in the Queen Elizabeth II Medical Centre on a sessional or full-time basis. A large number of private practitioners make use of the hospital and laboratories by referring patients for treatment and specimens for analysis.

(2)

Full-time	2 214
Part-time	291
Total	2 505

(3) Approximately 580, which represents 88 per cent of available beds.

(4) Approximately 919.

RAILWAYS: GOVERNMENT RAILWAYS ACT

Breach

698. The Hon. FRED McKENZIE, to the Minister for Labour and Industry representing the Minister for Transport:

(1) Is the Railways Commission breaching section 91 (2) of the Government Railways Act?

(2) As the tabling of the report appears to be more than one month overdue, will the Minister advise what action he proposes if the commission is in contempt of Parliament?

The Hon. G. E. MASTERS replied:

(1) and (2) The report referred to has just been received and was tabled in the Parliament today.

EDUCATION

Capital Works

699. The Hon. D. J. WORDSWORTH, to the Chief Secretary representing the Minister for Education:

(1) What new schools or other major capital works (education) have been built in—

(a) each of the shires in South Province; and

(b) Katanning and Broomehill shires;

during the last 12 financial years?

(2) What projects are —

(a) to be undertaken following this year's capital works programme; and

(b) expected to be undertaken following current planning?

The Hon. R. G. PIKE replied:

(1) (a) Schools in the South Province by shire (old boundaries—1976)

1. Cranbrook Shire	
Cranbrook PS	Upgrade/library
Frankland River PS	Replacement toilets
2. Denmark Shire	
Denmark Ag. DHS	Library/cluster block; manual arts workshops
3. Gnowangerup Shire	
Gnowangerup DHS	Toilet and showers; library; verandah enclosure; admin. upgrade.
Borden PS	Verandah enclosure
Bremer Bay PS	Classroom addition
Fitzgerald PS	Verandah enclosure
Gairdner PS	Demountable pre-primary Conversion.
Jerramungup DHS	Classroom addition; library resource centre; relocate old Needilup school
Ongerup PS	Verandah enclosure
Salt River PS	Water Supply
4. Kent Shire	
Nyabing PS	Verandah enclosure
Pingrup PS	Sewer connection
5. Lake Grace Shire	
Lake Grace DHS	Library and admin + general upgrade
Lake King PS	Demountable converted for pre-primary.
Varley PS	Replacement school
6. Plantagenet Shire	
Mount Barker SHS	Pre-vocational centre; classroom additions.
Kendenup PS	New toilets; demountable pre-primary conversion.
Mount Barker PS	Classroom additions; library
Rocky Gully PS	New toilets
South Stirling PS	Verandah enclosure and relocation of Old South Stirling School.
7. Tambellup Shire	
Tambellup PS	Classroom addition; library conversion.
8. Albany Shire:	
Mount Manypeaks PS	Verandah enclosure and store
Wellstead PS	Replacement school
Flinders Park PS	New school
9. Albany Town	
Albany SHS	Library; science block
Albany PS	Upgrade Classroom additions: dental therapy centre
Mount Lockyer PS	Classroom additions/library
Spencer Park PS	Upgrade. verandah enclosure; library: dental therapy centre.
Albany Special School	New school
Yakamia PS	Classroom additions; library: dental therapy centre.
North Albany HS	New school
10. Esperance Shire	
Esperance SHS	Classroom additions; pre-voc. centre; library extension.
Castletown PS	Classroom additions, toilets, pre-primary.
Condingup PS	Admin/staff upgrade.
Esperance PS	Library, admin. upgrade; dental therapy centre.
Grass Patch PS	Transportable pre-primary
Scaddan PS	Classroom additions; toilets, staff facilities.
Nulsen PS	New School; library.
Cascade PS	Replacement school
Esperance Special School	Modifications
11. Ravensthorpe Shire	
Jerdacuttup PS	Classroom additions; staff facilities
Ravensthorpe DHS	Classroom additions.
Munglinup PS	Classroom additions.

(b) Katanning and Broomehill Shires

Katanning SHS	Pre-voc. centre; classroom additions; admin. upgrade.
Katanning PS	Library; general upgrade.
Braeside PS	New school
Broomehill Shire	
Broomehill PS	New toilets, library resource centre.

(2) (a)

Albany SHS	Upgrading
Ravensthorpe DHS	Science, home economics, manual arts upgrading.
Condingup PS	4 classrooms, pre-primary, toilets, admin. upgrade.

(b) North Albany HS Stage 2

Katanning PS—Toilets
Tambellup PS—Toilets
Wellstead PS—Toilets
Mt Manypeaks PS—Upgrading
Mt Barker PS—Admin. upgrade
Nyabing PS—Replacement of Bristols, toilets.

TRAFFIC: DRIVERS

Offences: Radar Gun

700. The Hon. FRED McKENZIE, to the Minister for Labour and Industry representing the Minister for Police and Prisons:

(1) If a person is apprehended for speeding by the police and the method used in determining the speed of the vehicle is a radar gun, can that person, if he disputes the alleged speed immediately he is stopped, demand to be shown the recorded speed?

(2) If not, why not?

(3) Since disputes of this nature are a common occurrence, will he ensure motorists are given the opportunity to view the alleged speed if this is not already the case?

(4) If he will not, will he explain why?

The Hon. G. E. MASTERS replied:

(1) Traffic officer training includes practical instruction in the estimation of vehicle speeds and proficiency increases with experience.

A traffic officer directs his radar at an approaching vehicle when he estimates its speed to be in excess of the limit.

Any person stopped for speeding upon detection by radar can request to be shown the reading on the radar unit. However, in certain circumstances the recorded speed may not be available to be shown—for example, where an alleged offender has to be pursued, the reading is automatically cancelled by the action of starting the patrol car motor.

(2) Answered by (1).

(3) In the education of traffic patrolmen, instruction is given that they are to show the reading of a radar unit to an alleged offender at all times when requested, if possible. This is reaffirmed by follow-up instruction orders from time to time.

(4) Answered by (3).

WATER RESOURCES: CATCHMENT AREAS

Clearing Controls

701. The Hon. A. A. LEWIS, to the Attorney-General:

With regard to the country area water supply clearing controls—

(1) How many claims is the Crown Law Department processing in the—

(a) Warren catchment area and;

(b) Wellington catchment area?

(2) When does the department expect to clear the back-log in both these areas?

The Hon. I. G. MEDCALF replied:

It is assumed that the question refers not only to claims for cash compensation but also those intended to be satisfied (in whole or in part) by purchase or exchange of land.

(1) As presently instructed by the Public Works Department, and/or the Rural Adjustment Authority, the conveyancing section of the Crown Law Department has in action 15 files relating to such claims in—

(a) Warren catchment area—12;

(b) Wellington catchment area—3.

(2) Since 1 July 1981, instructions have been received in respect of approximately 78 claims in all catchment areas. Action is current on 18 claims of which 15 are in the Warren or Wellington catchment areas.

It is not considered therefore that there is any "backlog" but at the same time, it is not possible to estimate the time which will be required to finalise settlement of these 15 claims. From time to time further action by the Crown Law Department of necessity depends on actions of other parties, including the claimants. The position is—

(a) Awaiting return of formal documents by claimants—.....6

(b) Completed documents returned by claimant November 1982.....1

(c) Draft documents in course of preparation.....2

(d) Awaiting advice from or action by other departments.....2

(e) Public Works Department instructions received November 1982 1

(f) Referred (5 November 82) to professional officer for advice because of legal complexity before preparation of draft documents.....2

(g) Public Works Department request for advice as to validity of claim and parties to whom offer of compensation should properly be made.....1

Total 15

RAILWAYS: CROSSINGS

Donnybrook

702. The Hon. A. A. LEWIS, to the Minister for Labour and Industry representing the Minister for Transport:

With regard to question 664, answered on Wednesday, 3 November 1982, is it not a fact that in the last 20 years—

(a) Mr Scott had a collision with a train at the Golf Club crossing; and

(b) Mr Atwood had a collision with a train at the Marmion Street crossing?

The Hon. G. E. MASTERS replied:

(a) and (b) The information given to the member in answer to question 664 was based on information available in the Main Roads Department records which only extend back to January 1977 and are reliant on information passed to that department from other authorities. Further inquiries have now revealed that an accident occurred on 24 December, 1970 at the Golf Club crossing. The name of the driver is not available, though it is understood the registration number of the vehicle involved was DB 1315.
In regard to the Marmion Street crossing, inquiries indicate that an accident involving a semi-trailer vehicle occurred on 8 February 1977 and it is understood that a Mr Atwood was the driver involved.

QUESTIONS WITHOUT NOTICE

STATE FINANCE: STAMP DUTY

Avoidance: Bunbury Foods Pty. Ltd.

172. The Hon. PETER DOWDING, to the Attorney General:

I refer the Attorney General to the statements he made previously that he was aware of the practice of evading Western Australian stamp duty by the removal of a company register to Darwin and its return to Western Australia after the completion of certain business. I ask—

(1) Has he been handed what purports to be a search from the Corporate Affairs Office relating to the company Bunbury Foods Pty. Ltd., which document purports to show that on 9 July 1979, a notice that Bunbury Foods Pty. Ltd. had opened a branch registry in the Northern Territory was lodged with the Corporate Affairs Office, and that on 6 August 1979 the Corporate Affairs Office was advised that that branch registry had been discontinued?

(2) Will the Attorney General accept that the officers in his department were aware of the movement of the Bunbury Foods Pty. Ltd. share register on 10 July 1979?

(3) Is Bunbury Foods Pty. Ltd. a company in receipt of financial support from this Government?

(4) Did the Attorney General take any action to investigate what appeared to be an evasion of Western Australian stamp duty?

(5) If not, why not?

(6) Now being apprised that his officers have had these documents for some three years, will he take some action?

(7) If so, what action?

(8) If not, why not?

The Hon. I. G. MEDCALF replied:

(1) to (8) I have just received from the Hon. Peter Dowding copies of what purports to be a notice of situation of a branch register of Bunbury Foods Pty. Ltd. in Darwin. I shall inquire into the matter.

STATE FINANCE: STAMP DUTY

Avoidance: Corporate Affairs Office

173. The Hon. PETER DOWDING, to the Attorney General:

In respect of the documents that have been handed to him, will he now accept that his previous answer to this House was inaccurate when he told this House that the Corporate Affairs Office was not informed when a branch registry was transferred out of the State, be it for these purposes or otherwise?

The Hon. I. G. MEDCALF replied:

I did not say that. I said that the annual return did not disclose those facts.