Mr. Hartrey: I am not surprised that you cannot understand it; I don't think you understand even the principle behind it.

Dr. DADOUR: I think I understand the principle behind it more than the member for Boulder-Dundas gives me credit for. The honourable member has not put forward any explanation.

Sir Charles Court: Neither has the Minister.

Dr. DADOUR: There are not that many chest physicians in Western Australia that we can afford to chop and change the personnel of the board. Invariably doctors are on the side of the worker. Yet we have this amendment placed before us without any logical explanation. I would like to know the full implications of the provision, as has been asked by the Leader of the Opposition.

The member for Boulder-Dundas said that smoking could make silicosis worse. That is the most ridiculous statement I have ever heard, because smoking cannot make silicosis worse.

Mr. Hartrey: It can make bronchitis worse.

Dr. DADOUR: That may be so, but only after aggravation will silicosis become worse.

Mr. Hartrey: It progresses slowly over many years.

Dr. DADOUR: All right, I agree, but we have had submissions about that before. I still would like to know why the chairman becomes disqualified if he examines a patient, and yet the panel members cannot be disqualified if they act in a similar fashion.

Progress

Progress reported and leave given to sit again, on motion by Mr. McIver.

ADJOURNMENT OF THE HOUSE: SPECIAL

MR. J. T. TONKIN (Melville—Premier) [6.11 p.m.]: I move—

That the House at its rising adjourn until Tuesday, the 2nd October, at 4.30 p.m.

Question put and passed.

QUESTIONS ON NOTICE

Closing Date

THE SPEAKER (Mr. Norton): I would advise members that questions on notice for Tuesday, the 2nd October, will close at 12.00 noon on Friday, the 28th September.

House adjourned at 6.12 p.m.

Legislative Council

Tuesday, the 2nd October, 1973

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

QUESTION WITHOUT NOTICE

WOOD CHIPPING INDUSTRY

Economic Report

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

(1) Has the Department of Development and Decentralisation prepared an economic report on the Manjimup wood chipping industry?

(2) If the answer to (1) is "Yes", why has the report been withheld from public perusal?

(3) Will the Minister take action to have tabled in the Legislative Council—

(a) the economic report of the Department of Development and Decentralisation on the wood chipping industry; and

(b) the interim report of the Environmental Protection Authority on the wood chipping industry?

The Hon. J. DOLAN replied:

I thank the honourable member for giving prior notice of his intention to ask this question without notice, the answers to which are as follows—

(1) Yes.

(2) This report is a departmental document prepared for departmental use to list the possible benefits of a wood chipping industry to the State. It is not an in-depth cost-benefit study.

(3) (a) For the above reasons I am not prepared to table the report but will make a copy available to the honourable member.

(b) Yes.

QUESTIONS (4): ON NOTICE

1. FRUIT AND VEGETABLES

Commission Rates: Comparison

The Hon. G. W. BERRY, to the Leader of the House:

What are the selling commission rates on fruit and vegetables in—

(a) Perth;

(b) Adelaide;

(c) Melbourne;
(d) Sydney;
(e) Brisbane; and
(f) Hobart?

The Hon. J. DOLAN replied:

The information sought is as follows:—

(a) 12½ per cent for the majority of agents and 11 per cent for one agent.
(b) 10 per cent.
(c) 15 per cent.
(d) 10 per cent.
(e) 11 per cent.
(f) 10 per cent, involving two private markets only. No comparable central market operates in Hobart.

In addition to selling commission, handling charges are applied at Adelaide, Melbourne, Sydney and Brisbane, and these range from 10 cents per consignment in the Sydney market to 3 cents per package in the Adelaide market.

2. FISHERIES

Shark Bay: Fencing of Inlets

The Hon. G. W. BERRY, to the Leader of the House:

(1) Are the inlet pipes to the primary concentrating ponds at Useless Inlet in the Shark Bay area, considered to have any serious detrimental effect on small commercial fish by trapping them in the pond?
(2) If so, is it possible to suitably fence the inlets to avoid such juvenile fish being sucked into the pond?

The Hon. J. DOLAN replied:

(1) Fish readily move through the inlet pipes into the primary concentrating ponds in Useless Inlet. Work has not been undertaken to estimate the standing crop of fish in the primary concentrating pond, but it is probably not large.
(2) No.

3. TRANSPORT

Perishable Goods to North-West

The Hon. CLIVE GRIFFITHS, to the Leader of the House:

Further to my questions on Tuesday, the 18th September, 1973, in regard to licenses to transport freezer/chiller goods in Western Australia, would the Minister advise—

(1) The frequency of the service provided by the licensee between—
(a) Perth and Windarra;
(b) Perth and Agnew?
(2) The date of the last service provided by the licensee to—
(a) Windarra; and
(b) Agnew?
(3) The total number of services provided since the 10th March, 1972, by holder of the license for Perth to Agnew?
(4) Which areas did each of the applicants named in answer to question (6) apply for?
(5) Did the Transport Commission call tenders for any of the licenses referred to in question (1) of my previous question, and if so, would the Minister advise—
(a) how many tenders were received in each case;
(b) when were the tenders called in each case;
(c) what was the basis for accepting the successful tenderer in each case?

The Hon. J. DOLAN replied:

(1) There is no service provided by the present licensee for the transport of freezer/chiller goods between—
(a) Perth and Windarra;
(b) Perth and Agnew.

The future transport requirements of the Laverton-Windarra area are currently being considered having in mind the calling of tenders. The present licensee, who has not been providing a service, has been notified that it is not the intention to renew his license.

(2) The present licensee has not operated a service to—
(a) Windarra;
(b) Agnew.
(3) Nil.
(4) Applicant—

H. G. Johnson & Co. Pty. Ltd.
(a) Perth to Shay Gap.
(b) Perth to Windarra and Agnew.

Richardson Bros.
Perth to Port Hedland.

Indian Pacific Service Incorporated.
(a) Perth to Tom Price via Carnarvon.
(b) Perth to Dampier via Carnarvon.
(c) Perth to Tom Price and Dampier via Carnarvon.

Nor-West Refrigeration Service.
Perth to Roebourne.

(5) No.

4. FARM IMPROVEMENTS AND MACHINERY

Taxation: Depreciation Rates

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

(1) Will the State Government have its officers in the Department of Agriculture make a report on the actual rates of depreciation of—

(a) farm improvements, such as farm buildings, employees' quarters, and fencing; and

(b) farm machinery?

(2) If it is found that the findings, particularly in coastal new land areas such as Esperance, are greatly in excess of the intended taxation depreciation schedule, will the Government report such findings to the Federal Treasurer before the legislation is prepared for the implementation of the Federal Budget?

The Hon. J. DOLAN replied:

(1) and (2) As soon as the taxation depreciation schedule in question becomes available the total position will be examined in relation to anomalies such as the Hon. Member has suggested may exist.

ADOPTION OF CHILDREN ACT AMENDMENT BILL

Introduction and First Reading

Bill introduced, on motion by The Hon. R. Thompson (Minister for Community Welfare), and read a first time.

"AUSTRALIAN GOVERNMENT"

Use of Term: President's Ruling

THE PRESIDENT (The Hon. L. C. Diver): On the 19th September The Hon. R. J. L. Williams drew attention to the recent practice of referring to the "Australian Government" which he regarded as unconstitutional, and the honourable member requested that I direct that such references be struck from *Hansard*.

I have investigated the position and find that Act No. 79 of 1973, assented to by the Governor-General on the 19th June, 1973, contains an amendment to the Acts Interpretation Act, 1901. Paragraph (a) of Section 17 of that Act now reads—

> In any Act, unless the contrary intention appears—
>
> (a) "Australia" or "the Commonwealth" means the Commonwealth of Australia . . . .

An extract from the second reading speech of the Minister introducing the amending Bill on the 24th May, 1973, reads—

> The Bill also contains provisions to give effect to the Government's intention to use, wherever possible, the term "Australia" to signify the Australian Nation. This involves adopting the name *Australian Government Gazette* in place of the *Commonwealth of Australia Gazette*, the use of the imprint "Government Printer of Australia" instead of "Commonwealth Government Printer" on official documents, and the use of the term "Australia" instead of "Commonwealth" in legislation.

As the amendment made to the Acts Interpretation Act allows for optional use of the term "Australia" or "Commonwealth", I regret that I am unable to give the direction requested by the honourable member.

The Hon. A. F. Griffith: That will make the Government happy!

TRADE DESCRIPTIONS AND FALSE ADVERTISEMENTS ACT AMENDMENT BILL

Third Reading

Bill read a third time, on motion by The Hon. R. H. C. Stubbs (Minister for Local Government), and passed.

WOOD CHIPPING INDUSTRY AGREEMENT ACT AMENDMENT BILL

Third Reading

THE HON. J. DOLAN (South-East Metropolitan—Leader of the House) [4.58 p.m.]: I move—

> That the Bill be now read a third time.

I received today a letter from The Hon. A. D. Taylor (Minister for Development and Decentralisation) which reads as follows—

> During the third reading debate of the Wood Chipping Industry Agreement Act Amendment Bill, I would appreciate your giving the following assurances to the House on behalf of the Government:
>
> (1) that in respect to the conditions under Clause 4 of the Bill the Minister will not exercise the authority given him to extend industry activities beyond the stated fifteen-year period until the proposition has been referred to the Environmental Protection Authority in sufficient time for that Authority to carry out an examination and report; and
>
> (2) that in respect to the subject matter of Clause 19, which briefly covers the possible establishment of a pulp mill, the Government advises that before the Minister exercises the authority given him under the section of the Act

in connection with this matter that any proposition in connection with the establishment of a pulp mill will be referred to the Environmental Protection Authority in sufficent time for that Authority to examine and report on the project.

With that explanation I commend the third reading of the Bill to the House.

THE HON. T. O. PERRY (Lower Central) [5.00 p.m.]: I thank the Leader of the House for delaying the third reading of the Bill to this point in time. When speaking during the debate on the second reading I claimed it was difficult to obtain sufficient information about the proposed wood chipping industry to be established at Manjimup. The statement on the environmental impact had been tabled only about the time the Bill was introduced to this House. An interim report on the wood chipping industry from the Environmental Protection Authority was in existence, but I do not think many members of this Chamber had seen a copy of it. I understand that Mr. White had one in his file, but he was like a broody hen with one chick—he had it under his wing—and I had no knowledge of it until a copy was passed on to me. I therefore have had no time to look at the report.

I have also been able to obtain a copy of a summary sheet which has been issued for the information of staff members of the Forests Department. At the top of page 4 of this summary sheet, the following appears—

> A strong adverse public reaction to the Project is anticipated following experience in the U.S.A., N.S.W. and Tasmania.

So it is not unexpected that some people would be concerned, because of insufficient knowledge, at the effect the wood chipping industry is likely to have on such a large area of forest land. A couple of apiarists have spoken to me about the effect the wood chipping industry would have on their industry. Personally I do not feel the wood chipping industry would have any great adverse effect on the beekeeping industry. Marri—or red gum as we usually refer to it—flowers fairly regularly every two or three years, but the flowering period is only of short duration. Three or four weeks is generally the full extent of the flowering period.

The position is entirely different in regard to wandoo or karri. Karri is flowering at present and the honey flow has just begun. Beekeepers anticipate it will last two years. If one obtains a sample of the bud on the trees this will indicate the flowering period will last for some time. In the area in which I live the wandoo is now flowering. This is a very early flowering period for wandoo; it usually does not flower until November. This year I think will be the heaviest flowering of wandoo I am likely to see in my lifetime. Wandoo generally flowers for about three months only, but there will be another flowering next year. Therefore I do not think the apiarists have any need to worry about the effect the wood chipping industry will have on their activities. I am not greatly concerned because my experience is that where red gums grow in heavy bushland they do not flower as profusely as they do when they are grown on sparse bushland or cleared land. So I repeat, the fears expressed by the apiarists are not altogether justified.

Since the House went into recess for Show week I paid a visit to Manjimup and one of the first things I did was to pick up a copy of the *Warren-Blackwood Times*, dated Wednesday, the 19th September, 1973. In glancing through it I came upon an article dealing with wood chips. The article is actually a letter contributed by one N. F. Owens, of Manjimup. The heading was as follows—

> A note of caution about wood-chips.

I will quote only the final paragraph of the letter which reads—

> Let us expand our industry by all means, but do not deprive our children of this precious heritage of a pleasant place to live.

A number of people have asked me what effect the wood chipping industry is likely to have on the streams in the Manjimup area. It must be realised that we do not have many rivers or streams that are suitable for damming to supply drinking water to our population. For example, both the Murray River and the Blackwood River are too salt.

Should any member care to visit Manjimup and inspect Rose's place north of Manjimup he would find that the ti-tree in the bed of the stream is already dead as a result of salt encroachment. A similar situation exists at the back of the Palgarup Mill, and if one visits Deanmill one will find much evidence of salt encroachment. I think you would be well aware, Mr. President, of the tobacco industry that was established in Manjimup several years ago. Possibly you, Sir, and other members of this Chamber, would be aware that one of the reasons the tobacco industry was not successful was that the buyers of the tobacco leaf were concerned as to its high salt content. It would not burn freely and so was not acceptable to those engaged in the tobacco industry.

Many people are asking this question: If this wood chipping industry goes ahead what effect will it have on the environment? I find the local people divided into two groups. Those comprising the business section of Manjimup will welcome the wood chipping industry, and when I spoke

during the debate on the second reading of the Bill I stated that the industry would be of great benefit to many people living in Manjimup. However, those comprising the second group are continually asking questions about the effect the industry is likely to have on the streams in the area.

I do not think we know quite enough about what effect the industry will have on the environment. If we look at the interim report on the wood chipping industry which was so jealously guarded by Mr. White, we will find that certain conclusions were arrived at. I would like to read to the House part of the conclusions contained in that report. They read as follows—

> The EPA remains unconvinced that sufficient is known about environmental implications of the Woodchip proposal for it to be completely endorsed at this point in time.

Those are the words of the Environmental Protection Authority; that is, members of that authority do not feel they have had time to conduct sufficient research on the project. Another conclusion arrived at was as follows—

> It would be unrealistic, however, to ignore the possibility that strong pressures may be brought to bear on the Conservator to neglect such advice as may be given him from time to time.

Another paragraph contains the following—

> The EPA also recommends that human and fiscal resources be provided to carry out necessary research as a matter of urgency . . .

With this in view I thank the Leader of the House for the statement he has read pointing out that this industry will not go beyond the 15-year period without the Environmental Protection Authority being given sufficient time to thoroughly research the project and make its report to the Minister.

THE HON. F. R. WHITE (West) [5.10 p.m.]: I thank the Leader of the House for his reply to my question without notice. I will be very interested to learn what the economic report by the Department of Development and Decentralisation will reveal. I feel I would have liked to peruse that report before we proceeded with the Bill before us.

Like Mr. Perry I am grateful for the statement made by the Leader of the House a few moments ago, but it is not a true and correct record. I draw the Minister's attention to the fact that the statement is not correct as far as the legislation is concerned because, if he cares to check the first paragraph of his statement he will find that he refers to the conditions in clause 4 of the Bill, and in the second paragraph he refers to clause 19. The Bill before us contains five clauses. Actually, in the first part of his statement the Minister was referring to clause 4 of the agreement or the first schedule of the 1969 Act, and in the second paragraph of his statement he was referring to clause 19 of the agreement or the first schedule of the 1969 Act.

Therefore before this debate is concluded I would appreciate the Leader of the House clarifying the statement he made to the House so that in future there will be no doubt as to what he meant, because the Bill before us has only five clauses, and clause 4 of the measure could vaguely refer to the 15-year period of the present agreement. Further, I do not think that clause 19 contained in the second schedule to this Bill actually refers to the period of the present agreement in so far as it relates to the future wood pulping industry, whereas clause 19 contained in the schedule to the 1969 Act does refer to pulping.

Therefore before the debate on the third reading of the Bill is concluded, I would like the Minister to clarify and correct his statement if need be.

The Hon. A. F. Griffith: The two references obviously refer to the agreement.

The Hon. F. R. WHITE: In this House we do not deal with what is obvious; we deal with words. Words are recorded in *Hansard* and if there is any possibility of any contradiction of the amendments now is the time to make the position quite clear. So I repeat that I would appreciate it if the Minister would check his statement while the debate is still in progress and make the necessary correction if that is possible. We may need to have a short adjournment to enable the Minister to do this.

I have no intention of opposing the third reading of the Bill but I repeat that I am concerned about the haste with which this Bill has been introduced into both Houses of the Parliament, and I also once again express my concern about the lack of information which should have been readily available to members. We have had great difficulty in extracting such information. Trying to obtain copies of the impact statement, and reports by the Environmental Protection Authority and the Department of Development and Decentralisation has been similar to extracting a tooth. With those few words I support the third reading.

THE HON. A. F. GRIFFITH (North Metropolitan—Leader of the Opposition) [5.14 p.m.]: It is not my intention to speak for many seconds because I find it extremely difficult to speak at all this afternoon. I merely wish to point out that similar legislation was passed by this

Parliament in 1969 and following the questions relating to the Bill we have had a long time to work out what has taken place. I am sorry that the wood chipping industry did not become established two or three years ago after the original legislation was passed. The Act had its origin in a Bill introduced in 1969. The measure now before us is purely an amending Bill to the principal Act and as far as my party is concerned we intend to support it.

THE HON. J. DOLAN (South-East Metropolitan—Leader of the House) [5.15 p.m.]: In order to ease Mr. White's mind I would point out that clause 4 refers to what is contained in the original agreement. As the Leader of the Opposition has indicated it is the same, of course, with clause 19. Adequate safeguards have been given in both cases and I feel the honourable member may rest assured that the reference he has mentioned is correct. I think we can leave it at that.

Point of Order

The Hon. I. G. MEDCALF: It was not in fact clear whether the Minister agreed to amend the letter as requested by Mr. White.

The PRESIDENT: The Leader of the House has moved that the Bill be now read a third time, and having replied to the debate, no further discussion can take place.

The Hon. A. F. Griffith: But surely the honourable member can raise a point of order.

The PRESIDENT: What is the point of order?

The Hon. A. F. Griffith: Mr. Medcalf stated his point of order.

The Hon. J. DOLAN: I explained the position to Mr. White who nodded his head in agreement indicating that he considered the explanation satisfactory.

The Hon. F. R. White: You clarified it.

The Hon. J. DOLAN: That is right.

Question put and passed.

Bill read a third time and passed.

DAIRY INDUSTRY BILL

Second Reading

THE HON. R. THOMPSON (South Metropolitan—Minister for Police) [5.18 p.m.]: I move—

> That the Bill be now read a second time.

The dairy industry in Western Australia is divided into a manufacturing section and a liquid milk section. This division is most undesirable and has been perpetuated by the legislation which currently covers the industry. This is the Dairy Industry Act, 1922-1969, the Dairy Products Marketing Regulations Act, 1934-1937 and the Milk Act, 1946-1971.

This division of the industry has created unreal distinctions between milk used for liquid consumption and milk of similar quality but used for manufacturing purposes. These distinctions have put difficulties in the way of obtaining a rationalisation of the industry leading to economies in farm and factory production, in transport of milk and cream and in the utilisation of the available milk. It has also resulted in increased costs to the industry through overlapping supervisory requirements.

The adoption of maximum economies is particularly important in view of rising costs and declining prices throughout the industry. This legislation will enable greater flexibility in determining the most appropriate policies for the industry as a whole and will provide the framework within which these policies may be carried out.

The Bill as introduced has arisen from close discussion with the industry. The original discussions for the unification of the industry had their origin in the Farmers' Union. In 1969 the union established a joint committee representing the two sections of the industry and this committee has continued to concern itself with means of improving the organisation of the industry as a whole. In 1970 this committee organised a seminar at which representatives of a wide cross-section of the industry and Government discussed various aspects of the industry's problems. In 1971 the joint committee presented a report in which it recommended that a single authority should be established to combine the functions of the Milk Board and the Dairy Products Marketing Board of W.A.

Subsequent to the drafting of the legislation following the approval of State Cabinet in 1971 the detailed legislation has been discussed with representatives of the dairy and whole-milk section executives and the Bill before the Council has the strong support of these combined executives. The legislation when being drafted was also fully discussed with representatives of butter and cheese manufacturers, milk treatment plant operators, the Chamber of Manufactures and the Amalgamated Milk Vendors Union of Employers. In addition the essential features of the legislation have been explained at public meetings throughout the dairy areas.

It is a Bill which has strong support from within the industry because it will provide a sound foundation for its future development. With costs increasing and returns falling in all sectors, either relatively to costs or in real terms, it is essential to ensure that economies which can be made are made. It is also essential

that the manufacturing section of the industry be preserved not only for immediate economic reasons but to preserve the industry as a source of milk for the increased population of the future.

The total milk production in 1972-73 was just over 56,000,000 gallons whereas consumption of all milk and milk products in terms of milk equivalent was over 80,000,000 gallons. Estimates indicate that by 1985 the State could need 120,000,000 gallons as milk equivalent if it were to provide for all milk products consumed.

It cannot be expected of course, in the present economic environment, that this State will be able to provide for its total dairy needs. Nevertheless provision must be made for the State to continue to be able to provide for at least its needs of liquid milk and associated products. It is also essential that an economic manufacturing sector be maintained to cope with seasonal surpluses. The economics of the whole milk sector would be seriously affected by the loss of the manufacturing sector.

Of the 56,000,000 gallons produced in 1972-73, almost 25,000,000 gallons were consumed as milk or cream through sales under the supervision of the milk board. When the State's population reaches 2,000,000 most of the present level of production would be required to supply this market alone. The legislation is designed to cater for the industry for at least the next 30 years rather than have it hampered by what has been the history and organisation over the past 30 years.

The legislation provides for the establishment of a body known as the Dairy Industry Authority of Western Australia. It is proposed that the Dairy Industry Authorty be subject to the Minister for Agriculture and that it replace the present Dairy Products Marketing Board of W.A. and the Milk Board of W.A.

The Dairy Industry Authority shall consist of nine members including a chairman who shall also represent the consumers of milk and dairy produce. There shall be four representatives of producers, two representatives of manufacturers, one representative of milk vendors and a non-voting representative of the Department of Agriculture.

All members of the authority would be nominated by the Minister, with the producers' representatives being selected from a panel of names submitted by the Farmers' Union. Likewise the manufacturers' representatives would be selected from a panel of names submitted by the Butter and Cheese Manufacturers Association, the Milk Treatment Plants Association of Western Australia and any individual dairy companies. The milk vendor's representative would be selected from a panel of names submitted by the Amalgamated Milk Vendors Union of Employers.

The chairman and all members will serve on the authority on a part-time basis. The chairman will be appointed for a term of five years; producers', milk vendors', and Department of Agriculture representatives for three years, and manufacturers' representatives for two years. Some of the first members appointed will serve lesser terms in order to achieve a rotation of membership in subsequent years but members are eligible for renomination.

The authority will have a full-time manager who shall be responsible to it for the conduct and organisation of the business of the authority. The present Chairman of the Milk Board, if he so consents, shall be appointed to this position.

The functions and powers of the authority will be very broad and will include the organisation of the production, supply, purchase, manufacture, treatment, storage, transport, packing, sale and distribution of milk and dairy produce. The authority will therefore have a major responsibility right through from the production of milk and cream on the farm to distribution to the consumers.

The authority will determine quotas for the supply of milk for consumption as milk but holders of Milk Board licenses will receive automatically a milk quota no lower than the one held at the time the Act is proclaimed.

The authority will also be empowered to determine manufacturing milk supply entitlements or quotas if required under any production or supply control scheme for the manufacturing industry.

A quota appeals committee will be established to consider appeals by persons dissatisfied with the refusal of the authority to grant a quota or with the quantity of milk or butterfat set forth in the quota.

All milk and cream supplied in the State whether for direct human consumption or for use in the production of dairy produce shall be vested in and become the property of the authority.

The vesting of milk in the authority is necessary to enable the authority to obtain funds; to overcome the problem of overpurchasing or under-purchasing of milk by treatment plants; to assist in the implementation of any national production control scheme; to facilitate the general activities of the authority itself such as in the areas of raising funds for promotional or investigational work, and to make it possible for the authority to effectively apply premiums or penalties in relation to the quality and/or composition of the milk received.

The vesting of milk is not seen as being in any way detrimental to the interests of manufacturers or treatment plants to whom the milk would be sold back. There seems to be no reason why the present

relationship between the dairy companies and their suppliers should not be able to continue.

The Bill cannot operate without the vesting provision as there is no legal way for the authority to raise funds without this provision. The basing of license fees on the volume of production or sale is a practice which has been shown to be of doubtful legality in view of decisions concerning receipts duties. Advice from the Crown Law Department is that such legislation is open to successful challenge. The definition of a levy or license fee as an excise may occur when such fee is based upon the volume of production or sale.

The authority shall arrange for each farmer to be paid for milk delivered to the authority an amount which includes provision for the quota supply, or the content of butterfat or any other component of milk that may be prescribed. The prices may be varied in accordance with grade, quality, composition, description or quantity of milk or component of milk supplied and the area or time of the year in which it is supplied.

The authority shall have powers to fix the minimum prices to be paid to dairy farmers for milk or any component of milk and the maximum prices at which milk or any dairy produce declared for this purpose may be sold. It will be assisted in this function by a dairy industry prices tribunal.

The tribunal shall consist of the manager of the authority, an officer of the Department of Agriculture who is not a member of the authority and a consumers' representative who also is not a member of the authority. The term of appointment shall not exceed seven years for these appointed members.

It would be undesirable for the authority itself to be able to determine prices. Most of the members of the authority would have a vested interest in increased prices for their product. Their objectivity in determining prices could therefore be questioned. On the other hand, a separate tribunal would deliver objectively based recommendations developed with careful consideration of the views of the consuming public as expressed by the consumer representative. In the past, recommendations in relation to prices put forward by the Milk Board have on at least one occasion not been found acceptable to the Minister of the day apparently because of the failure to present convincing evidence.

The authority shall request surveys of the cost and income structure of the dairy industry by the rural economics and marketing section of the Department of Agriculture at intervals of not more than three years. Results of these surveys shall be furnished to the prices tribunal and the authority to assist in the determination of prices. The dairy industry prices tribunal will be able to keep itself fully informed on changes in costs in the industry and its investigations will provide a sound basis for price variations.

The Bill provides for all dairymen to be licensed by the authority upon notification by the Department of Agriculture that their premises and facilities comply with requirements and that the premises are registered with the department. Similarly, all milk and dairy produce vendors, dairy produce manufacturers, and persons owning treatment plants, packing places, stores for milk and dairy produce, and who deal in milk or dairy produce, will be licensed by the authority unless exempted from this requirement by the Minister.

The Department of Agriculture will assist the authority by registering all dairies and dairy produce premises and being responsible for the inspection and supervision of these. The authority may then grant licenses to persons to operate registered premises or facilities in the production, manufacture, treatment, packing or storing of milk or dairy produce, or as vendors or dealers in milk or dairy produce.

The supervisory and laboratory staff of the Milk Board will be integrated with those of the dairying division of the department. This will allow the supervisory and quality control activities for the entire industry to be co-ordinated with the specialist advisory and extension services provided by the department to farmers and to factories. This integration and coordination is essential to obtain maximum economies within the supervisory and advisory services as well as throughout the industry because a fully comprehensive approach to farm or factory problems can then be adopted.

The Department of Agriculture has provided advisory and supervisory services for the manufacturing sector of the industry for very many years. This has meant supervising the majority of dairy farmers as these are butterfat suppliers.

There are considerable advantages in having both supervisory and advisory activities combined in, and controlled by, the one organisation as is the case with the Department of Agriculture in Victoria and other States. This not only ensures proper co-ordination of these important activities but also allows the inspectors to take on some advisory and servicing activities. This casts the inspector in a much better role than the rather negative one of merely carrying out inspections.

There are also considerable advantages in having these services in an organisation which is able to offer highly trained professional supervision and the necessary associated back-up services such as those of veterinary scientists, soil scientists, chemists, bacteriologists, and economists.

It does not mean that highly qualified officers trained in, say, advising on farm problems will be required to inspect dairies. It provides, however, that officers who are concerned with different aspects on farms will have a joint approach so that all advice is balanced to meet the needs of the farmer. This will not result in any relaxation of quality standards but will ensure that requirements are soundly based and attainable in practice.

The Department of Agriculture is the most appropriate organisation to advise and supervise the technical operations because of the greater depth of expertise at its disposal.

The authority itself will set the standards of quality required in milk delivered to it and the department will assist by providing quality control.

The authority will contribute to the cost of the supervisory, laboratory, and grading activities of the department. These costs relate to an essential part of the industry's functioning which if undertaken by the authority would have to be fully met by the industry.

In performing these tasks for the authority the department will relieve the authority of the detailed work of farm and factory supervision and registration, and thus enable it to devote its time to its broader and more important industry functions of determining policies which will improve the long term prospects of the industry.

The authority will be empowered to initiate, conduct, or arrange sales promotion of all classes of milk and dairy produce. This power does not exist in the present Milk Act. As a result the potential for market expansion of whole milk and associated products has not been tested or developed.

In summary, the Bill provides for the continuation of those functions presently conducted by the Milk Board for the control of the liquid milk industry. In doing this it recognises the contribution made by the liquid milk suppliers to the stability of their industry and provides that their position be preserved by the guarantee that when the Act is proclaimed their quotas will be renewed by the authority at a level no less than their existing contract.

The machinery for the promotion of milk and milk products is provided in the Bill so that expanding markets for the most profitable industry products can be developed. The potential of new products can also be realised to the benefit of both consumers and industry. The authority will have powers to improve the quality of dairy production in Western Australia and reward the farmers prepared to meet quality standards.

The Bill enables the authority to determine and put into effect policies appropriate to the whole industry. These powers will have such flexibility that the authority, composed of members from the industry, may determine the future structure of the industry. The manufacturing industry has declined rapidly in the last ten years, partly due to a number of farmers becoming liquid milk suppliers but mainly due to farmers moving into other avenues of agriculture and leaving the industry. Doubts regarding future prices and increasing costs have discouraged many farmers from expanding their facilities and increasing capital investment. The authority will be able to establish positive policies for the whole industry.

The manufacturing industry not only provides employment through diversified and decentralised manufacturing in country areas, but also requires considerable capital investment in stock and plant at the farm level which cannot be readily replaced. In Western Australia there is a need to preserve as large a proportion of the manufacturing industry as will remain viable to meet future needs, and to be able to realise the benefits that this industry provides in the country areas.

The need for a single authority for the dairy industry has been recognised by the various sectors of the industry for some time. The proposals contained in this Bill have strong industry support and provide the structure for the future development of the industry.

I commend the Bill to the House.

Debate adjourned until Tuesday, the 9th October, on motion by The Hon. N. McNeill.

BILLS (6): RECEIPT AND FIRST READING

1. Motor Vehicle (Third Party Insurance Surcharge) Act Amendment Bill.

   Bill received from the Assembly; and, on motion by The Hon. J. Dolan (Leader of the House), read a first time.

2. State Electricity Commission Act Amendment Bill.

   Bill received from the Assembly; and, on motion by The Hon. R. H. C. Stubbs (Minister for Local Government), read a first time.

3. Iron Ore (Murchison) Agreement Authorization Bill.

   Bill received from the Assembly; and, on motion by The Hon. R. Thompson (Minister for Police), read a first time.

4. Nurses Act Amendment Bill.

5. Dental Act Amendment Bill.

6. Coal Mine Workers (Pensions) Act Amendment Bill.

Bills received from the Assembly; and, on motions by The Hon. R. H. C. Stubbs (Minister for Local Government), read a first time.

MOTOR VEHICLE (THIRD PARTY INSURANCE) ACT AMENDMENT BILL

Second Reading

THE HON. R. H. C. STUBBS (South-East—Minister for Local Government) [5.45 p.m.]: I move—

That the Bill be now read a second time.

Section 3R (4) of the Motor Vehicle (Third Party Insurance) Act, 1943-1972, contains a reference to the Commissioner of Police in his capacity as the licensing authority for motor vehicles in the metropolitan area.

With the creation of the Department of Motor Vehicles, the licensing authority for motor vehicles in the metropolitan area is the Director, Department of Motor Vehicles, under the Road Safety and Traffic Act, 1973. It is therefore necessary to amend section 3R (4) of the Motor Vehicle (Third Party Insurance) Act, 1943-1972, to change the reference to the Commissioner of Police, to "the Director, Department of Motor Vehicles".

This is only a machinery amendment and I commend the Bill to the House.

Debate adjourned, on motion by The Hon. F. D. Willmott.

DAYLIGHT SAVING BILL

Second Reading

THE HON. R. H. C. STUBBS (South-East—Chief Secretary) [5.47 p.m.]: I move—

That the Bill be now read a second time.

It is not my intention to weary members with a long speech on this Bill as I feel that the majority of us are well aware of the advantages and disadvantages of daylight saving, even though that knowledge is in most cases only of a theoretical nature.

It was stated last year that the Government had two objectives in view when it made a decision to introduce the previous Bill. In the first instance it was felt that the introduction of daylight saving would be of benefit to the State as a whole from both a health and a sociological point of view; and secondly, in view of the permanent introduction by four States, including New South Wales and Victoria, it was felt that Western Australia could not cope indefinitely with an increased time differential of three hours.

To these two reasons, however, I would now add a third. As stated, in my opening remarks, the views of the majority of members on daylight saving are based chiefly on theory and this we feel is also the case in regard to the majority of people in the State. Our viewpoint is that theory in itself is not sufficient. Hence the third reason, which is that the Government desires the State to experience daylight saving in order to ascertain whether or not the benefits claimed or the objections raised are factual.

For that reason this Bill, as in the case of the legislation of the last two years, seeks permission to introduce the system only for a trial period of one year.

Although, I do not wish to labour the arguments put forward by the opponents of daylight saving, I will briefly refer to certain claims which some people advance. Firstly, I would refer to claims about the adverse effect that daylight saving would have on the health of the community. In rebuttal I quote a statement made by a spokesman for a medical organisation who said in a submission to a committee of inquiry—

> I know of no ill effects upon the health of any child or adult from daylight saving. On the contrary daylight saving can provide additional opportunity to enhance the physical health of the community.

We now turn to the complaints from those in the rural sector, an area which it is claimed would be seriously affected by the introduction of daylight saving. The evidence produced to substantiate these complaints is consistent with claims made in other States, which in many cases have been eliminated or minimised.

We would be foolish to think that some inconvenience would not occur to some sectors of the rural community, but I am confident that this can be minimised. For instance, it has been suggested that there would be a loss of hours during which grain could be deposited at receiving bins. However, Co-operative Bulk Handling has stated that it is prepared to alter its hours in order to assist the rural community.

The Hon. J. Heitman: So you have daylight saving in the metropolitan area and ordinary time in the country.

The Hon. R. H. C. STUBBS: Genuine concern has also been expressed by many country people about the possible effects daylight saving would have on school children and how they would have to leave home early in the morning and return in the heat of the day. It should, however, be borne in mind that school children will be on holidays for seven of the 18 weeks the scheme would operate if approved; and secondly, it is possible to vary the starting and finishing times of individual schools. Examples of this can be seen in

the north-west of the State, and the problem was encountered and eliminated by adopting a similar procedure in Eastern States.

Finally, I would mention the motion picture industry, in which it is claimed that the loss of patronage would assume disastrous proportions if daylight saving were introduced. Similar claims were made in the Eastern States, but the heavy fall-off did not materialise. In fact inquiries reveal that the industry has ceased to complain, which would tend to indicate that the loss is nothing like that which was anticipated.

Now to the other side of the picture. Without a doubt, the greatest inconvenience caused to this State by its nonparticipation in daylight saving is the increased time differential, and this is not theoretical but something that has been proved by practical application. Western Australia undoubtedly suffers by having a two-hour time differential, and a three-hour differential would make heavy inroads into the hours available for business and trading between the States.

The Bill before the House fixes the period of daylight saving from 2.00 a.m. on the last Sunday in October—the 28th October—to 2.00 a.m. on the first Sunday in March, 1974, which is the 3rd March.

As I stated initially, it is not my intention to labour the cases for and against the system as I feel that the discussions alone will not answer the question as to whether or not it is desirable for us to follow the example of the four Eastern States. We all know what it is like to operate without daylight saving. However, until we actually experience daylight saving we are in no position to evaluate the scheme. For that reason I commend the Bill to the House.

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

PAY-ROLL TAX ACT AMENDMENT BILL

Second Reading

THE HON. J. DOLAN (South-East Metropolitan—Leader of the House) [5.55 p.m.]: I move—

> That the Bill be now read a second time.

The purpose of this Bill and its complementary measure is to increase pay-roll tax from the present rate of 3½ per cent. on wages paid to 4½ per cent. as from the 1st September this year.

Members will recall that following the Premiers' Conference held in June last it was announced that all States had agreed to introduce legislation to increase pay-roll tax by 1 per cent. from a common date. I am advised that four States have legislation before their Parliaments at the present time and that the Government of the remaining State, Queensland, will introduce legislation shortly.

All State Governments have reached the end of the road in their endeavours to cope with greatly increased wages bills without increasing taxation. At the June conference, every Premier stressed the acute budgetary position his Government was facing and sought substantially increased grants from the Australian Government. As members will recall, the additional assistance provided by that Government was minimal and it was made clear to us that we must seek to resolve our own problems.

It was agreed unanimously by the Premiers that pay-roll tax was the only broadly based field of State taxation able to yield sufficient revenue to relieve the financial difficulties of the States.

The present proposal is therefore in line with action taken or announced by every other State. Indeed, it is most desirable that the States do act in concert when varying the rate of pay-roll tax as it is important that we maintain a common tax rate and uniform tax base throughout Australia. Many firms operate in several States and it would add to their administrative problems and cause confusion if it were necessary for them to calculate tax payable in one or more States at different rates. For the same reason it is most desirable for the new rate to apply from a common date in all States, and the 1st September was agreed upon as the operative date.

In order to give taxpayers ample warning of the change and to allow them to budget accordingly, both the proposed new rate and the date from which it is to apply were announced in the Press immediately following the Premiers' Conference in June.

Returns of tax payable for the month of September are compiled at the end of that month and are due to be lodged early in October. It is therefore desirable that this legislation be passed by or soon after the end of September.

The additional revenue to be obtained in a full year from the extra 1 per cent. on pay-rolls is estimated to amount to $12,800,000. However, as only nine months' collections will be obtained at the new rate, the additional revenue in 1973-74 is expected to amount to $9,600,000. Further, as pay-roll tax is paid by those departments whose expenditure is financed from the Consolidated Revenue Fund, part of the additional revenue will be offset by increased expenditure. The net gain to the Budget is therefore estimated to amount to $8,000,000 this year and $10,600,000 in a full year.

Without the additional revenue sought by this measure, as well as other steps recently announced, the Government

would be unable to maintain the services of the State, as will be explained to Parliament shortly when the Budget is introduced. The decision to increase taxation is never made lightly, as members on both sides of the House well know. The fact that all States, regardless of the complexion of their Governments, have found it necessary to take this step must be a clear indication to members of the extent of the financial problem facing every State.

It is recognised that the measure will have the effect of further increasing business costs but any other step open to the Government to raise additional revenue of like magnitude would have a similar effect.

At the time the decision to introduce legislation to increase pay-roll tax was announced, the Leader of the Opposition (Sir Charles Court) proposed that a reduced rate should be charged on industries located in certain country areas as an inducement to decentralisation. The Government has given careful consideration to this suggestion but has decided against differentiating between industries in the pay-roll tax legislation. Apart from the resulting loss of revenue that would have to be made up in some other way, we already have a range of incentives designed to encourage the establishment and expansion of secondary industry in country areas. The present policy is aimed at promoting the development of country industry rather than providing general tax concessions in an unselective manner.

Where warranted, assistance is provided by way of Government guarantees, as members are fully aware, to facilitate the raising of capital and a subsidy is available of up to 5 per cent. of interest payable during the first five years on funds raised for establishment and expansion. Substantial rail freight concessions are also provided to new or expanding country industries and, in many areas, water and, in some cases, power, are supplied at below cost.

There must obviously be a limit to the extent to which country industries are assisted from public funds and the assistance that is provided needs to be selective and designed to achieve positive results for a given outlay. The Government does not consider that the pay-roll tax legislation is the appropriate vehicle to achieve these aims.

It must also be borne in mind that it is most undesirable to burden the administration of an otherwise simple tax with complicated concessions directed at entirely different policy considerations that could be better met by more direct means.

I commend the Bill to the House.

Debate adjourned, on motion by The Hon. I. G. Medcalf.

PAY-ROLL TAX ASSESSMENT ACT AMENDMENT BILL

Second Reading

THE HON. J. DOLAN (South-East Metropolitan—Leader of the House) [6.02 p.m.]: I move—

That the Bill be now read a second time.

This is a complementary measure to the Bill I have just introduced.

In the normal course, a mere amendment to the rate of tax would not require amendment of the Pay-roll Tax Assessment Act. However, a small amendment to that Act is necessary to provide for more than one rate of tax applying to the returns of establishments which, by arrangement, submit returns covering periods greater than one month.

In these cases, a rate of 3½ per cent. will apply to wages paid before the 1st September and a rate of 4½ per cent. to wages paid after that date, and it is necessary for the Act to acknowledge that more than one rate may apply.

I commend the Bill to the House.

Debate adjourned, on motion by The Hon. I. G. Medcalf.

Sitting suspended from 6.03 to 7.30 p.m.

WESTERN AUSTRALIAN ARTS COUNCIL BILL

Second Reading

THE HON. J. DOLAN (South-East Metropolitan—Leader of the House) [7.30 p.m.]: I move—

That the Bill be now read a second time.

This Bill, to establish a Western Australian arts council as a statutory body, emanated from three years' experience in the operation of the Arts Advisory Board, tempered by the experience and examination of the workings of arts councils both in Australia and overseas.

The Western Australian Arts Advisory Board was set up by the previous Government in 1970 to advise the Treasurer on the distribution of financial assistance to the arts. Its original brief was to address itself primarily to the performing arts—drama, opera, ballet—although it had a secondary function to recommend assistance to any organisation which it felt was in a position to be of benefit to the community.

The original membership of the board was Professor Frank Callaway as chairman, the late Mr. Philip Masel, as deputy chairman, with Mr. Joseph Griffith, Miss Joanne Patman, and Mr. J. A. B. Campbell as members. The Board was later strengthened by the addition of Mrs. Erica Underwood, Mr. Harry Bluck, and Mr. Sydney Box.

The untimely death of Mr. Masel, whose wide-ranging interest in the arts was well known, deprived the board of one of its most respected and hard working members. In due course the vacancy was filled by Mr. Tony Evans.

In making these appointments, the Government adopted the same criteria as its predecessors, in trying to select members, not to represent any sectional interest, but for their general interest in the arts and their ability to look objectively at the whole area under consideration.

It speaks highly for the calibre of those appointed that the Government has been able to have the same confidence and faith in the advice given to it by the board as had its predecessors.

As members will know, financial assistance for the arts has increased greatly in recent years, and is now regarded as an essential part of the function of a Government.

It soon became evident to the Arts Advisory Board that the need for help was considerable, especially in the country. Also the board found that country tours were suffering from a lack of co-ordination of touring by theatrical companies, so that small places found themselves entertaining three companies in a week and then not seeing anything else for over a year. The board was asked to see if it could regulate this situation but it soon became clear that to do so would need some permanent staff. Furthermore, the number and variety of requests for help were multiplying and it became necessary to employ the services of someone with administrative experience, and a particular knowledge of the local arts to help the board to investigate and collate the applications.

To this end, the Government employed a liaison officer. Because many of the problems with country touring dealt with performance in schools, it was assumed that a proportion of this officer's work would be with the Education Ministry, so he was given the title "Liaison Officer for Cultural and Educational Affairs".

The day-to-day administration of the board's affairs was handled by the Treasury with one of its officials acting as secretary to the board, and the liaison officer acting as a source of advice and information whilst making personal contact with as many organisations as possible.

It was seen that one of the major needs in the organisation of the arts was some kind of central office to organise and co-ordinate country touring.

In other States this duty was undertaken by a division of the Arts Council of Australia with funds provided by the State and Federal Governments. Western Australia had no such organisation, each theatre company organising its own touring.

An application by the Cultural Development Council to become the W.A. Division of the Arts Council of Australia was not supported because the Cultural Development Council made it clear that it was not interested in undertaking the touring commitment.

However, this approach—together with an assessment of its own activities—led the board to examine the whole area of assistance to the arts both within Western Australia, and in other States, and overseas.

From this examination the board concluded that there was an urgent need for the establishment of a suitable co-ordinating authority to control country touring in a number of fields, and for the establishment of a suitable agency in Western Australia to co-operate with the Arts Council of Australia through which the State could share and benefit from certain projects at present being extended to all other States.

The board also judged that aid to the arts in Australia was bedevilled by a multiplicity of organisations—the Australian Elizabethan Theatre Trust, the Australian Council for the Arts, and the Arts Council of Australia. These organisations were fitted into the pattern of Federal aid to the arts more because they existed than because they were necessary. It might have been more sensible if the Commonwealth Government, when it decided to enter the field itself, had rationalised the situation by amalgamating all such bodies to establish a new national agency. Instead it chose to superimpose yet another Federal organisation — the Australian Council for the Arts.

Western Australia is fortunate in not having any firmly entrenched or predisposed organisations, and because of this the Government has been in the unique and happy position of being able to choose the most rational form of organisation best suited to the special needs of the State.

This State has a particular problem in combining vast distances with a sparcity of population not found in any other State. For this reason it is virtually impossible for a professional company to tour profitably. It is therefore necessary for all professional country touring to be heavily subsidised. In effect, the Government pays for all losses incurred by professional companies on country tours.

In looking at this problem it seemed sensible that the Government should therefore create an agency which would undertake the organisation and supervision of country touring, thus ensuring the maximum economy commensurate with efficiency.

It was concluded that the cultural needs of Western Australia could best be met by creating a statutory body to be called the Arts Council of Western Australia which would relieve the Minister from the day-to-day responsibility for policy and administration, and prevent the further proliferation of bodies concerned with assistance to and organisation of the arts.

The role of this new statutory body would be—

(1) to formulate and implement policy in respect of the arts generally, thus creating a greater sense of immediacy;

(2) to co-ordinate artistic effort, particularly in country areas, and employ or set up the necessary organisations to do so;

(3) to encourage, foster and promote the practice and appreciation of the arts by taking necessary initiatives to make all forms of artistic expression accessible to the general public;

(4) to make grants, pay subsidies, or make advances to local authorities, organisations, or individuals to promote and encourage the arts;

(5) to co-operate, with bodies with similar aims interstate, to improve and expand the provision of exhibitions and performances.

The detail of translating this into legislation is contained in the Bill before the House, but I must emphasise two particular aspects of it. First, an arts council must of necessity retain the maximum flexibility. Art and culture are fluid abstracts; they cannot be tied down to any particular set of rules or regulations. An attempt has therefore been made to keep any definitions contained in the Bill as flexible as possible. Culture as we understand it today may bear no relationship with culture tomorrow as indeed it is often difficult to equate cultural standards today with those of yesterday. No arts council must be allowed to find itself fettered by standards and circumstances imposed upon it at any particular given moment in cultural time.

The second point is more important. Experience everywhere—in Britain, in Canada, in South Africa, in New Zealand, and in Australia—has shown that the arts and in particular an arts council, must accept controversy as an almost everyday occurrence. There will be great pressure placed on people to reverse decisions, to censure allegedly undesirable trends, and to alter policies. These pressures will often be severe. It is therefore vitally necessary that the council be autonomous, and responsible only to Parliament through the medium of the responsible Minister. Its independence of action and resistance to pressure should have the essential protection of Parliament.

In formulating this legislation we have been considerably guided by the Act creating the Queen Elizabeth the Second Arts Council of New Zealand, which council was largely based upon the British Arts Council which is generally regarded as the model.

So, in commending this Bill to the House, I feel I cannot do better than requote, on behalf of the Minister for Cultural Affairs who introduced this measure in another place, the words of Lord Keynes when the Arts Council of Great Britain was formed in 1946. "The aim of an arts council", he said, "should be co-operation with all, competition with none."

"Art", he said, "is something incalculable, not to be confined or measured by planning, but cherished and made available for all who want it."

I commend the Bill to the House.

Debate adjourned, on motion by The Hon. R. J. L. Williams.

BROKEN HILL PROPRIETARY COMPANY'S INTEGRATED STEEL WORKS AGREEMENT ACT AMENDMENT BILL

Second Reading

THE HON. J. DOLAN (South-East Metropolitan—Leader of the House) [7.45 p.m.]: I move—

That the Bill be now read a second time.

This Bill has been framed to ratify an agreement between the Government, the Broken Hill Proprietary Company Limited and its wholly-owned subsidiary, Dampier Mining Company Limited.

The agreement was drafted mainly to include within the terms of the B.H.P. 1960 agreement a temporary reserve situated to the south of the Dampier Mining Company's Koolyanobbing lease. The agreement also introduces slightly higher lease rentals which I shall explain shortly.

For the Koolyanobbing project, B.H.P. was originally granted, in 1961, mineral lease No. 2SA, pursuant to clause 7 of the Broken Hill Proprietary Company's integrated steel works agreement. This lease, in the Yilgarn goldfields, was in two parts covering both the Koolyanobbing and Bungalbin iron ore deposits, as shown in appendix "A" of the original agreement.

In 1966 the company transferred the lease to its wholly-owned subsidiary, Dampier Mining Company Limited, with State approval pursuant to clause 28 of the agreement. Subsequently, the mine was developed and the company began railing ore to Kwinana in 1967. However, at approximately the same time in 1961 that mineral

lease No. 2SA was granted, B.H.P. was also granted rights of occupancy over a temporary reserve situated south of the Koolyanobbing portion of mineral lease No. 2SA and adjoining it. This was temporary reserve No. 2045H. The location of this reserve in relation to the lease, is shown in a plan, a copy of which I wish to table.

Rights of occupancy over the reserve, like the lease, were later transferred to Dampier Mining and while they have since been considered, in effect, as being held in conjunction with the Koolyanobbing project, they have never been formally included under the umbrella of the agreement proper.

The rights of occupancy to the reserve expired on the 12th March, 1971, and, as was the case with many other rights of occupancy for iron ore, the occupancy rights were not renewed beyond that date until the end of that year.

On the 30th December, 1971, the State made an offer to Dampier Mining for the issue of new rights of occupancy under the new conditions then adopted by the State. Under the new conditions, those currently applying to all occupancy rights, an exploration programme is required to be undertaken to the satisfaction of the State and this requirement presented problems in this instance.

In its response to the State's offer, the company pointed out that it had already carried out exploration and had proved 6,000,000 to 12,000,000 tons of ore of a grade approximately 57 per cent. Fe, and added that there was no further meaningful proving work that could be undertaken.

The company then sought occupancy rights with the protection of the terms of the agreement by including it within mineral lease No. 2SA, or, alternatively, it sought a mineral lease under the Mining Act, but with an exemption from labour covenants.

The company's request for inclusion of this reserve under the terms of the agreement was accepted by the State because it appeared reasonable and practical for a number of reasons, but primarily the fact that the company had met its responsibilities in regard to an adequate search and proving programme.

The other reasons were that the deposit of 6,000,000 to 12,000,000 tons of 57 per cent. Fe ore was too small to be worked independently on an economic basis; so it would have to be mined in conjunction with another deposit, and its close proximity to the Koolyanobbing mine made it obvious that it should be developed in conjunction with that project to provide an extended life.

It is quite clear that similar logic must have applied to the State's original decision to grant B.H.P. rights of occupancy over the reserve. Because of this, the only practical and proper solution was for the State to include the area covered by the temporary reserve in mineral lease 2SA.

These are the factors which led to the execution of the amendment agreement scheduled to the Bill before members today, and while an approval of this nature is relatively routine, the allocation of additional resources to a project the subject of an agreement with the State is a significant matter, and one that necessitates the approval of Parliament.

After negotiations between the State and the company, opportunity was also taken to amend the agreement to provide for an increase in the rate of rent payable on the old area of mineral lease 2SA. The rate has been lifted from slightly over 19c per acre to 20c per acre for the whole of the old and new areas of the lease, thus reaching the figure of $5,662 per year quoted in clause 5(1) of the amendment agreement. Rentals have been accruing at this new rate from the 1st January, 1973.

Under the same clause, 5 (1), it has also been agreed that the company should pay $1,104 within a month of the amendment agreement coming into operation. This charge is virtually a holding fee for the period from the 1st February, 1972 to the 31st December, 1972. This period covers the time span over which the ground would have been held under rights of occupancy were it not for the decision to include it in the lease. The charge was, in fact, based on rights of occupancy fees.

A further effect of the amendment agreement is that it makes a minor clerical correction to clause 8 of the principal agreement.

I commend the Bill to the House.

The plan was tabled (see paper No. 315).

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

PROPERTY LAW ACT AMENDMENT BILL

In Committee

Resumed from the 18th September. The Deputy Chairman of Committees (The Hon. F. D. Willmott) in the Chair; The Hon. J. Dolan (Leader of the House) in charge of the Bill.

Clause 3: Amendment to Part VII—

The CHAIRMAN: Progress was reported after the clause had been partly considered.

The Hon. I. G. MEDCALF: When we last debated the clause in Committee I indicated that I intended to move an amendment. However, I have since given the matter further careful consideration and in fact in a matter of 24 hours after our

last debate, had we been sitting, I could have indicated that I did not propose to proceed with an amendment. However, I consider the Committee deserves a brief explanation concerning the matter.

My proposed amendment was designed to make the provisions apply to those people who had committed a technical breach before the proclamation of the amending legislation. That was the situation before the Bill was amended in another place, and I merely wished to have the provision returned to the form in which it was originally introduced in another place. On further consideration, however, I have decided that although the cases I had in mind would justify an amendment such as the one I intended to move—and perhaps further amendments—I must take note of the old saying that bad cases make bad laws. Therefore rather than introduce the problem of retrospectivity I have decided not to move my amendment. Consequently the Bill will apply in respect of leases which are entered into after the date of the proclamation of the Bill, but not to those entered into prior to the Bill becoming law.

The Hon. J. DOLAN: I thank the honourable member for his explanation which has made the position perfectly clear.

Clause put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

JURIES ACT AMENDMENT BILL

Second Reading

Debate resumed from the 19th September.

THE HON. I. G. MEDCALF (Metropolitan) [7.57 p.m.]: The Bill seeks to amend the Juries Act in a number of particulars which have already been outlined sufficiently by the Minister. I do not propose to go over the ground covered by him.

The jury system is regarded as one of the great attributes of our legal system and is said to be English or Anglo-Saxon in origin although some doubt exists as to its origin because it may have originally come from Normandy. It has now taken a place in our legal system so that persons who are accused of criminal offences have the right to be judged by 12 good men and true who are their equals as citizens and who can judge the facts of the case rather than the law. Of course this is an important safeguard to people who are accused; that is, that they be judged on the facts by their equals or by fellow citizens who can look at things in an independent light in the way that ordinary citizens would be expected to look at them without their being trammelled by too many legalisms.

Before the jury system was introduced in England various other forms of trials were conducted which one might say were the precursors of the jury system. I must say that the jury system has many advantages over those earlier forms of trial such as trial by battle which does not seem to me to be a particularly fair form of trial. It depended on the old saying that might is right. The strength of a person's right arm does not seem to be a satisfactory way to decide an issue although some people in the community would perhaps disagree with me.

Another early form of trial was trial by ordeal to which trial we would not wish to submit people today although every one of us must undergo ordeals at some time. Nevertheless, we would not wish to replace our present system with trial by ordeal, no matter how much the system is criticised by disgruntled litigants.

It is interesting to note that trial by ordeal took various forms, and one of the principal forms was ordeal by cold water, under which the accused was put in a large pond of cold water. If he floated, he was found guilty and dealt with accordingly, but if he sank, he was proved innocent. I do not think it was quite as fair a trial as one might wish.

Another form of trial by ordeal was ordeal by hot iron under which the accused had the palm of his hand branded with a hot iron. It was immediately bandaged up by a priest and the man was taken away. The priest subsequently undid the bandage and, if there was a hot iron mark on the person's palm, he was guilty but if the mark had disappeared obviously it was divine intervention and he was clearly innocent.

In spite of the comments made nowadays, there are many advantages in our modern system of trial including trial by jury. The jury system became very popular and gradually developed from the system whereby the witnesses who actually participated in an event were the jurors to the system we know today whereby jurors are independent people who have not been witnesses. In fact, as witnesses they are debarred from being jurors. Jurors are sworn to try to arrive independently at the facts of the matter.

The measure proposes to dispense with exhibiting a jury roll, which is a costly and time-consuming process, and notices of jury service are to be sent out to the persons whose names are recorded on the roll. This will save a great deal of time and administrative effort. There is power for the sheriff to remove the names of persons who are deceased, absent from the

district, or whose whereabouts are unknown. The sheriff also has the power to excuse jurors on evidence which is satisfactory to the summoning officer. In the past there have been many difficulties in having people excused from jury service. There are many categories of people whose tasks take them away and, in the past, they were not excused. It has often been quite difficult for them to be excused and it has been necessary to go to the court and obtain an order from the judge to excuse them from jury service. It will now be possible for the summoning officer to excuse them but, of course, he will need proper grounds and good reasons for doing so.

I notice that airline pilots are one of the classes of people who are exempted and they are named in the schedule of the legislation. There was a time when they were not excused and I can recall difficulties which have been experienced in having an airline pilot exempted from jury service. By the very nature of his duties, he would often be many thousands of miles away at the time he was supposed to be present. Now airline pilots are excused.

Many other categories of people will, from time to time, want to be excused and the sheriff will now be able to do this without those people applying to the court.

In future, summonses for jury service will have to be served personally on the persons concerned rather than their being left at the premises which is quite unsatisfactory. Furthermore, police officers will not be used except in exceptional circumstances.

The main provisions in the measure deal with the restriction on the right of the Crown to challenge jurors. When people are called for jury service a large number of names are put forward and all these people are required to attend, although only 12 are needed for a criminal trial and six people comprise a civil jury. Nevertheless, a great number must be present—usually 30 or 40—in case of challenge. In the past the accused had the right to stand aside four people and this number is to be increased. The accused will have the right to stand aside eight of the jurors without giving any cause. This is known as a peremptory challenge. Without any reason being given, the accused, or his counsel, can object to eight of the people who come forward for jury service. This is important in that the accused is now to be on the same basis as the Crown which formerly had an unlimited right to stand aside or challenge jurors. This right is now restricted to the same number as that which the accused many stand aside—that is, to eight. Further, the Crown and the accused can still show cause and, if they can show good cause, they will be able to increase that number. This is not a peremptory challenge but a challenge through showing cause. This is still open to the Crown and the accused. Generally speaking, the Bill puts the Crown on the same basis as the accused which probably appeals to most fair-minded people.

This will, I think, present some problems to the Crown in certain isolated areas. There may well be occasions when the Crown may be tempted to feel it does not have enough right of challenge. There are areas where it may well be difficult for the Crown but, nevertheless, I consider the Crown has taken the right view and has demonstrated it is prepared to put itself in the same situation as the accused and restrict itself to the same number of challenges.

In this respect, the provision is an important departure. It means the Crown no longer has an unlimited right to challenge jurors. Its rights are now exactly equated with those of the accused.

There are various other minor amendments in the Bill with which I do not need to deal and I have much pleasure in indicating my support of the measure.

THE HON. J. DOLAN (South-East Metropolitan—Leader of the House) [8.07 p.m.]: I think members should be convinced from the second reading speech which I gave and the support given by Mr. Medcalf that the measure is worthwhile. It covers various aspects and a particular one worth mentioning again is that of equal challenge. This represents a worth-while departure from the position which has obtained up to date. Also the old method whereby a policeman went round and served notices on jurors is to be abandoned.

I was interested to hear some of the examples given by Mr. Medcalf of trial by ordeal. I remember one method from my days of learning and teaching history. The arm of the accused was plunged into boiling water and then bandaged. After a short while the bandage was taken off and, if there was no blister, the man was innocent. The chances of a person being tried by ordeal and being acquitted were fairly remote!

With those comments I thank the honourable member for his support of the measure.

Question put and passed.

Bill read a second time.

House adjourned at 8.08 p.m.