an amendment on the notice paper, I am raising this point with the Minister to ascertain whether the two parts of proposed subsection (2)(b) should be concomitant or alternative.

As far as the principle of the clause is concerned it is not right that all transactions of this type should be attacked under this portion of the measure. Therefore, I have decided to move an amendment whereby the debt—if it is a debt that effectively represents the balance of the purchase price on the sale of the property at fair market value on terms not exceeding 15 years—will not be caught under the ambit of that provision. To start the chain of events which will eventually put me in that position I move an amendment—

Page 43, line 10—Delete the passage "State; or" and substitute the passage "State;".

Mr. T. D. EVANS: I will follow the pattern set by the member for Wembley and speak to the major amendment he seeks to move if he is successful with this amendment. With your indulgence, Mr. Chairman, I will not concern myself with the amendment before the Chair.

When I introduced the measure I spoke at great length in this regard; and when I mentioned clause 49 I gave an example of a father taking certain action. At this point I heard cries of "farmers" coming from all over the Chamber. This was the first time that a farmer had been referred to. I had referred to a "father".

The purpose is not to capture *bona fide* transactions which parties have conducted at arm's length and, to that end, subclause (2) of clause 49 meets the situation by exempting such transactions from the operations of subclause (1) of clause 49.

I am not prepared to accept the amendment moved by the member for Wembley for the reasons I gave when introducing the measure. I will examine his more recent comments, but I cannot accept the proposition he put forward; that we should provide a greater exemption. I feel the exemptions provided in subclause (2) are quite adequate to meet the genuine and *bona fide* transactions entered into by people at arm's length.

Mr. R. L. Young: Before the Minister sits down, would he look at the situation as to whether he wants both parts of paragraph (b) to run together.

Mr. T. D. EVANS: I have already commented on that.

Amendment put and negatived.

Clause put and passed.

Clauses 50 to 70 put and passed.

Title put and passed.

Bill reported with amendments.

BILLS (2): RETURNED

1. Dairy Industry Bill.
   Bill returned from the Council with amendments.
2. Alumina Refinery (Worsley) Agreement Bill.
   Bill returned from the Council with an amendment.

House adjourned at 11.08 p.m.

Legislative Council

Thursday, the 22nd November, 1973

The PRESIDENT (The Hon. L. C. Diver) took the Chair at 2.30 p.m., and read prayers.

QUESTION WITHOUT NOTICE

CLOSE OF SESSION: SECOND PART

Target Date

The Hon. A. F. GRIFFITH, to the Leader of the House:

The stage in this session of Parliament has been reached where members would like to have some indication from the Government of the anticipated concluding date of the session. There is a fresh rumour going around the corridors that the Government is attempting to conclude this session by tomorrow week.

The Hon. L. A. Logan: It has two chances—Buckley's and its own!

The Hon. J. Dolan: Where did the rumour start?

The Hon. A. F. GRIFFITH: I am getting a lot of help with my question. I feel this rumour cannot possibly be correct, in view of the large amount of business that remains on the notice paper—and there are still more Bills to be introduced.

I would appreciate it if the Leader of the House can throw some light in that direction, but more particularly with some date in mind as to when the session will conclude. I seek this information because of the commitments which members have in their electorates. Over many years the previous Government invariably tried to finish the session by the end of November each year, in order that members might fulfil their commitments in their electorates. Because of the unlikely event of this session concluding by the end of the month, we would like some idea as to when the House will be

sitting on Thursday nights. Furthermore, is there any possibility of sitting earlier on Wednesday, and is there any likelihood of Friday sittings? I am sure some guidance to members would be appreciated.

The Hon. J. DOLAN replied:

Firstly, with regard to the rumour that this session will conclude next week. I have also heard it in a couple of places but they were the most unlikely places. I think such rumours should originate from the Minister.

The Hon. A. F. Griffith: Which Minister?

The Hon. J. DOLAN: With regard to the sitting times, I have no intention to vary the hours next week. I hope to make a statement in the House next Tuesday about this matter. Probably on the following week we might sit at 2.30 p.m. on Wednesday. Depending on the amount of business that has to be cleared the House might sit on Thursday evenings. However, sittings on Thursday evenings will not be lengthy, and if possible we will adjourn at tea time.

The Hon. A. F. Griffith: The House will not sit next Thursday night?

The Hon. J. DOLAN: I am making no alteration to the sitting hours next week. The changes to the sitting hours will apply in the subsequent week. I consider that at least a fortnight's notice is necessary to enable members to arrange their commitments. With regard to the target date for the close of the session, the best I can say is that it will be somewhere near the middle of December. I can recall one session concluding on the 19th December in the regime of the previous Government.

The Hon. L. A. Logan: On one occasion we sat up to the 23rd December.

The Hon. A. F. Griffith: Was the occasion when the House sat up to the 19th December during the time you were a member of this House?

The Hon. J. DOLAN: Yes. I think the closing day of that session was the 19th December.

The Hon. A. F. Griffith: I bet the Leader of the House a drink he is wrong.

The Hon. J. DOLAN: Mr. Logan has said we have gone as late as the 23rd December. Not being a drinker, the bet by the Leader of the Opposition does not matter. However, if I am wrong I will buy him one just the same.

The Hon. G. C. MacKinnon: You can drink ginger beer.

STATE FORESTS

Revocation of Dedication: Assembly's Resolution

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

That the proposal for the partial revocation of State Forests Nos. 23, 25, 28, 30, 37, 41, 51 and 53 laid on the Table of the Legislative Assembly by Command of His Excellency the Lieutenant Governor on 21st November, 1973, be carried out.

METRIC CONVERSION (GRAIN AND SEEDS MARKETING) BILL

Second Reading

THE HON. J. DOLAN (South-East Metropolitan—Leader of the House) [2.40 p.m.]: I move—

That the Bill be now read a second time.

There are four Acts relating to grains and seeds. These are the Bulk Handling Act, 1967-1972, the Seed Marketing Act, 1969-1971, the Marketing of Barley Act, 1946-1965, and the Grain Pool Act, 1932-1966. The only object of the proposed amendments is to convert the existing references and express them in metric units.

However, the proposed conversions are considerably more complicated than the usual type of metric conversion amendments which simply delete references expressed in imperial units and substitute references expressed in metric units.

The amendments to the four Acts have not, therefore, been included in a schedule to the Metric Conversion Act but have been included within a single Bill; namely the Metric Conversion Act Amendment Bill, 1973.

The amendments required to these Acts are more complicated than the usual amendments because although the commercial bushel used in the grain trade is strictly a measure of volume for payment to growers, it has been used as if it were a measure of weight.

Storage charges are at present made per bushel because this is a measure of volume and the cost of grain storage is proportional to the volume it occupies, rather than to its weight. For convenience, however, the volume is calculated by assigning standard weights per bushel to each of the grains as, for example, 60 lb., for wheat, 50 lb. for barley, and 40 lb. for oats, and dividing the total weight by the standard bushel weight. On a weight basis the storage charges are highest for

oats and least for wheat, because 1 lb. of oats takes up more space than 1 lb. of wheat.

It is more convenient to have both the payment to the grower and the payment for storage and handling calculated on a weight basis. With metrication, payment to the grower is per tonne, and it is proposed that charges will also be per tonne. The new charges, when converted, are almost identical with the charges previously made on a volume basis.

The first reference to bushels in section 21 of the Bulk Handling Act requires the company, on demand by the Minister, to install facilities for the reception and handling of grain in bulk at any point in respect of which the Minister is satisfied the average annual receival of grain can reasonably be expected to reach 200,000 bushels. The quantity, 5,500 tonnes, which is used in the legislation proposed, is very nearly the equivalent of 200,000 bushels of wheat, the exact equivalent being 5,443 tonnes. In this section also 'twenty-five miles" is replaced by "forty kilometres".

In sections 31 and 32 the foundation toll and port equipment toll are converted from cents per bushel to dollars and cents per tonne. The maximum foundation toll of 5c per bushel for wheat using the standard bushel weight of 60 lb. becomes $1.84 per tonne—the actual figure is $1.8372. It is proposed that the foundation toll for other grains will be established by calculations based on the toll for wheat; using a formula based on the relative weight in kilograms of a hectolitre of the particular grain compared with that of wheat, on the basis of their present standard bushel weights. The foundation toll for barley would be $2.20 per tonne—actual $2.2046 —and for oats would be $2.75 per tonne—actual $2.7558.

The maximum port equipment toll for wheat becomes 75c per tonne instead of 2c per bushel, and the tolls for other grains will be calculated according to their relative densities. The port equipment toll for barley will be 88c per tonne and for oats 110c per tonne.

While provision is made under sections 31 and 32 for the maximum amount of foundation toll or port equipment toll, the Governor may fix any lesser toll by Order-in-Council. The rate of tolls for grain other than wheat will also be fixed on the basis of the density of that grain compared with wheat and the toll will be deducted as for wheat.

To maintain the present situation whereby a total toll of 5c per bushel—3c foundation toll plus 2c port equipment toll —is payable by the grower, a notification of lesser tolls will be made subsequent to assent being given to the legislation in the following terms—

> It is hereby notified for general information that His Excellency the Governor, acting under the provisions of section 31 of the Bulk Handling Act, 1967, has fixed the foundation toll for wheat at one dollar and eleven cents per tonne.

This sum of $1.11 per tonne, together with the port equipment toll of 73c per tonne, will thus equal the present total toll of $1.84 per tonne which is equal to 5c per bushel of wheat.

It is proposed to amend section 42 (2) (b) by substituting the words "one hundred kilometres" for the words "sixty miles" in the last line of the paragraph.

Seed Marketing Act: Under section 25 (4) (d) of this Act, the Western Australian Seed Board has the authority to retain up to ½c per bushel for allocation to research projects connected with the industry. This amount is changed to allow up to 20c per tonne to be deducted. This round figure is marginally higher than the precise equivalent which would be 19.7c per tonne for rapeseed and for linseed. These seeds are sold on a weight basis and it is reasonable that the research contribution should be on a weight basis rather than on a volume basis. The figure of 20c per tonne considered is a suitable round figure.

Section 25 (4) (e) of the Seed Marketing Act provides that the board shall retain such fractions of less than 1/10c per bushel realised by the board on disposal of the seed for use in any manner which the board considers would be of benefit to the industry. With the retention of fractions of less than 1/10c per bushel, the average amount kept over a long period would be about 1/20c per bushel. This is equivalent to 1.97c per tonne. This is very close to 2c per tonne, and this is the reason for the amount proposed in the new legislation. The figure is a maximum and a lesser amount may be deducted by the board.

It is proposed to amend section 26 (2) by substituting the word "tonne" for the word "pound". The alteration does not affect the meaning or the implications of this section.

Marketing of Barley Act: A similar amendment to section 23 (4) of this Act is proposed as that for section 25 (4) (e) of the Seed Marketing Act. However, under the Marketing of Barley Act, contributions under section 23 (4) are voluntary and individual growers may allow the board to retain such fractions of less than 1/10c per bushel realised by the board, for use in any manner the board considers to be of benefit to the barley industry. This figure of 1/10c per bushel is equal to 2.2c per tonne. However, the round figure of 2c per tonne is used in the proposed legislation.

With regard to the Grain Pool Act, in section 15A(3)(b), where reference is made to Western Australian standard feed oats, it is stated that unless a sales contract states differently, "The oats shall have a natural bushel weight of not less than thirty eight pounds"—38 lb per bushel equals 47.64 kilograms per hectolitre. The

proposed change is to make the provision read, "The oats shall have a natural hectolitre weight of not less than forty seven kilograms". In section 15A (3) (f) the spelling of "grammes" will be changed to "grams".

I commend the Bill to the House.

Debate adjourned, on motion by The Hon. V. J. Ferry.

ALUMINA REFINERY (WORSLEY) AGREEMENT BILL

Assembly's Message

Message from the Assembly received and read notifying that it had agreed to the amendment made by the Council.

COMMONWEALTH POWERS (AIR TRANSPORT) BILL

Second Reading

Debate resumed from the 21st November.

THE HON. J. L. HUNT (North) [2.51 p.m.]: The Bill before the House at the present time does not directly affect very many members of this House, although it indirectly affects everybody in Western Australia. The members directly concerned are Mr. Dellar, Mr. Berry, Mr. Withers, and I; those who represent the areas where Ansett Transport Industries operates in this State. The only other areas where this service extends are those represented by Mr. Logan and Mr. Leeson, but I do not believe those areas will be affected by the introduction of another airline into Western Australia.

In 1959 MMA made an agreement with the Government to operate an independent airline, without competition, for a period of 12 years. The agreement expired in 1971.

The introduction of another airline into Western Australia was not suggested by the present Government. I understand the move was initiated by the Liberal-Country Party Government, when Senator Cotton came here in 1972 to discuss the entry of TAA into Western Australia.

I have had considerable experience with airlines operating in the north. I can go back 20 years, when the only company operating was Airlines (W.A.) and it gave very good service. In those days one could buy *The West Australian* newspaper at Marble Bar or Derby at the same price as it was sold in Perth. It was not long before MMA came in, took over Airlines (W.A.), and operated the service with distinction. It gave very good service and I have no complaints in that respect.

The occasions when I have been inconvenienced by MMA in the north are very few, but I feel that with the increasing volume of traffic in the north country it is time to consider the introduction of a two-airline service for the northern areas. The figures of passengers carried and the fact that an economy class fare will be available are arguments for the operation of a second airline.

I have figures relating to the number of passengers carried by ATI or MMA—whichever one likes to call it—for the quarter ended the 30th September this year, which show an increase of 18.9 per cent. gross over the same period in 1972; freight traffic increased by approximately 21.4 per cent. and mail traffic by 8.4 per cent. The number of passengers carried in the quarter ended September, 1973, was 79,108, and the previous record was in 1971 when 77,643 passengers were carried. I understand the number of passengers carried in 1971 totalled 297,000—a growth rate of 18.9 per cent.—and it is expected that in 1973 the number will be in the vicinity of 290,000 passengers.

If TAA is permitted to operate in the north, it has promised reduced return fares of $30.80 to Port Hedland, $40.20 to Broome, $43.40 to Derby, and $54.00 to Kununurra. I am not concerned about the Darwin figures. With those fares, I understand from Mr. Ron Thompson that the Department for Community Welfare alone would save $30,000 on the movements of staff; and it is estimated that the saving in fares alone for all Government departments operating in the north—such as the Medical Department, the Main Roads Department, the Public Works Department, and the Police Department to a certain extent—would be approximately $500,000 a year.

It is for this reason I said when I began my speech that the introduction of another airline into Western Australia indirectly affects everybody in the State. If a saving of $500,000 a year could be made by the Government, I know of many places in the north where that money could be used if it were available.

Another reason why I support the entry of a second airline into the State—apart from the figures of passengers and freight carried—is that in the not too distant future a new pelletising plant will be established on Finucane Island, which will mean an increase of approximately 3,000 in the population of that area. The material for the plant will come from Goldsworthy No. 3 deposit out in the Weeli Wolli Creek area, which was once known as the Packsaddle area. There will be a sizeable town in that area when mining commences, and I imagine use would be made of the Mt. Newman airstrip. In my opinion, the increased population in the Port Hedland and Mt. Newman areas alone warrants a close look at the introduction of a second airline.

We read that Robe River intends to duplicate its plant at Cape Lambert, which will further increase the number of passengers using aircraft, and that is another point in support of the introduction of a second airline.

We could visit the Ord River area where a tremendous amount of progress is being made. I feel that the introduction of the planes which TAA proposes to use in that area will be a tremendous asset, particularly from a tourist point of view. A number of passengers would use those planes for a trip down from Darwin to Kununurra to look at the Ord River Dam. They would then perhaps move further down and view the iron ore projects in the Pilbara.

Another aspect on which I wish to touch is the question of increased air freights in the north country. This has always been a bone of contention as far as I am concerned, and I have brought the matter up on a number of occasions. I raised the matter fairly recently at Broome at a zone development committee meeting at which an officer from ATI—a Mr. Cohen—attended. I raised the question of freights with him during that meeting, and I referred particularly to air express freights. I have never received any satisfaction at all in this matter, even though I have raised it since this aspect was first introduced into the north quite a few years ago.

I always seem to get the same excuse—that it is accepted practice in so far as the airlines are concerned and that they propose to continue to go along with it. An old prospector once said to me at Nullagine—when he was after parts for his vehicle—that the little piece of sticky tape that was put on was worth ten times its weight in gold.

Each of the companies concerned has said it is prepared to introduce bigger aircraft which will carry more than has ever been carried before; but with the introduction of another airline there is little doubt that a great deal more freight would be carried to the north—such freight would be carried at normal rates without having a surcharge air express placed on it.

I have spoken on this matter on many occasions. The last time I did so was when the Manager of TAA came to Halls Creek where another zone development committee meeting was being held. I raised the same question with him and got the same answer; namely, that it was accepted practice and that his company would also use air express wherever they could drop off the freight; whether it be at Kununurra, Derby, or anywhere else. If more than one airline were operating such freight could be landed a great deal cheaper.

The Hon. W. R. Withers: It is only three services a week.

The Hon. J. L. HUNT: That is on both sides.

The Hon. W. R. Withers: At the moment it is a daily service.

The Hon. J. L. HUNT: We are all aware that Wards Air Service carries a great deal of freight to the north. At the moment it is running about $25,000 worth of freight to the north a month. I heard the Managing Director of Wards of Western Australia—Mr. Ferguson—say on T.V. he considered that with the amount of freight being carted to the north at the present time an extra airline was possibly warranted.

With the introduction of an extra airline there would be a saving in fares; and this would be of benefit not only to the Government departments but also to the average worker in the north country; the man who is not eligible for free air fares, and who finds it very hard indeed to take the occasional holiday. The saving would be considerable, if such a worker happens to have a wife and two or three children.

I was reading an article in the *News of the North* which was included as a supplement of *The West Australian* of Wednesday, the 21st November. The article dealt with the question of supplies to the north. I realise this has nothing to do with the Bill but nevertheless I would like to quote the following—

> The West Kimberley Shire had estimated that it cost $22,800 a year simply for the payment of district allowances and annual air fares for its employees.

I do not know what the percentage would be, but that figure would be only a fraction of what it costs some of the shires; particularly Port Hedland, which would have a much larger staff than the West Kimberley Shire.

Apart from this, business people these days are also obliged to send their employees away for annual holidays and if there were a reduction in air fares it could, of course, prove to be a great saving. I am particularly interested in the activities of the shires, because I know they are having a very stiff trot in the north, and if it is at all possible for them to make a saving it would be most acceptable.

We all know that the pros and cons of the matter have been put forward on T.V. and radio. I think everyone is pretty well in the picture regarding the introduction of a second airline. We have had screeds sent to us from both companies, and these have outlined their respective positions.

I would like members opposite to give this matter a great deal of careful consideration, even though their particular areas may not become involved. I have spoken to a great number of people on this matter. This question of a second airline has been discussed for quite a few years now; and rumours have been rife that a second airline was likely to start operating in the country areas. Discussions have been in progress between different people and also members of Parliament in the north country for a number of years; it

is not as though the subject cropped up only in the last few months. It has been current since the previous Government made moves to introduce a second airline.

There has been a fair bit of controversy as to whether the DC9 airliners could or could not land on the airstrips available at the moment. I understand that these airliners could perhaps land only at Learmonth, Port Hedland, and Broome. It is obvious, of course, that a certain amount of upgrading would need to be done on all the airstrips in the north.

I understand the Australian Government will come into the picture in relation to the upgrading of the airstrips—whether they are privately owned or whether they are owned by the local shires. So I do not think there will be any problem in that direction.

I have here quite a list of registered licensed aerodromes which at the moment are either owned privately or by local authorities in Western Australia. I have been advised that the Australian Government intends to withdraw from the ownership of licensed aerodromes but that it will retain ownership of buildings connected with the air traffic control, communications, navigation aids, and some hangers. Local authorities will receive Commonwealth assistance on a 50-50 basis for approved maintenance and development works.

On a number of these airstrips the maintenance involved would not be very great. Most of the airstrips listed are being used by MMA at the moment; particularly in the Kimberley area. There is a list of about 42 airstrips—not all of these are in the Kimberley; some of them are in the Murchison and a few are in the Pilbara. I emphasise, however, that there are some well developed airstrips operating at the moment which are either privately owned or controlled by local authorities.

A few of the licensed aerodromes include Karratha, Kununurra, Newman, and Paraburdoo. Those airstrips can, at the moment, accommodate F28 aircraft and I understand that, with further improvements for extra load carrying, they could accommodate the DC9 aircraft. About 19 other licensed aerodromes remain to be transferred to local authorities in my area. In particular, I notice that among those, listed in this document I have before me are Broome, Derby, and Port Hedland. I understand that when they are improved they will be able to accommodate DC9 aircraft. The information I have before me states—

> D.C.A.'s estimate of the annual cost of maintaining the 19 licensed aerodromes now to be transferred to local authorities is $665,000. Local authorities will be required to fund 50 per cent. of this amount.
>
> In addition to normal maintenance, D.C.A. have plans for development work as follows:—
>
> Broome Runway extensions—say $0.4 million.
>
> Carnarvon new aerodrome—$2.0 million.
>
> Kalgoorlie general upgrading—$0.27 million.
>
> Geraldton Runway drainage—$0.065 million.
>
> Total—$2.735 million.

As stated, the local authorities have to fund 50 per cent. of this amount before these developments are put in train, but it is expected the State may advance half of the local authorities' 50 per cent. This submission I have in front of me also includes the following—

> To allow for the presently planned 3 or 3½ T.A.A. services and the matching 3 or 3½ A. T. I. services, it is necessary to strengthen the pavements and/or widen the runways at Kununurra, Broome, and Derby and Port Hedland. D.C.A. estimate the total cost at $1.35 million.

That is a considerable amount of money, but apparently the Government will come to the party on this and I believe that the upgrading of the airports in the north would be desirable apart altogether from the fact that they will be needed by two airlines. The expenditure of this money would be well worth while even from the defence point of view.

A second airline will, of course, be using DC9 aircraft, but I believe it has been said that if a second airline is introduced to the north Ansett Transport Industries will also switch to DC9 aircraft in the operation of its system. So apparently there is no problem associated with strengthening and improving the airports in the area in question.

I do not want to weary the House too long in debating this Bill, because every member of the Chamber has had submitted to him a document similar to the one I have in front of me at the moment. We have had plenty of time to study the submissions that have been made, and I expect that members of the Opposition will closely review the Bill. They are the champions of private enterprise and competition according to the article published in *The West Australian* this morning and therefore it must be expected that Opposition members will have a good look at this measure.

The issue could fall either way, depending on which side of the fence one sits. The members of the Opposition can have their say and make their calculations on the Bill, as is their right. I have more or less based my remarks on the Bill in accordance with the approaches that have been made to me by the people in the north. I think the great majority of

the people in the north would favour a two-airline system. I should imagine that the saving in air fares alone to the iron ore companies would represent a large sum of money, because they are committed to sending their employees to Perth on holidays. From the latest information I have there are 9,000 people enrolled for my province and I think that the vast majority of them would be employed by the iron ore companies.

Therefore the cost of transporting such a large number of people to Perth would be tremendous, and if any savings could be effected by the introduction of a two-airline system to the north I am certain that the iron ore companies would save a good deal of money. I know that many young married women in the north are always anxious to come to Perth to see their mothers after spending some time in that area, or alternatively, they look forward to having a holiday in the metropolitan area after putting up with the harsh conditions and the extreme climate in the north. One young married man said to me, "The introduction of a two-airline system would make the proposition better. I could probably save money by sending my wife and children down to Perth, or over to the Eastern States for a holiday."

The State Government has only recently appointed a woman to act as an adviser in regard to the problems faced by women in the north, and I feel great benefit will flow from such an appointment. I am certain that one of the problems that will be presented to her will be the constant desire of women in the north to enjoy a break from the area. To find a solution to this problem will represent a great deal of this woman's work.

I have given a great deal of thought to this Bill for some considerable time and with the growth in the area, together with that which we expect in the future, I must say that the majority of the people in my province would consider that a second airline would be justified. I support the Bill.

THE HON. S. J. DELLAR (Lower North) [3.47 p.m.]: The Bill before the House has as its object the adoption of section 19A of the Australian National Airlines Act, 1945-1973, of the Australian Parliament and if passed by this House initially and then by another place it will allow Trans-Australia Airlines to operate an airline service to various centres throughout Western Australia.

At the outset I say that this is a desirable move. I know that at present TAA carries interstate traffic. It can also engage in intrastate traffic where that traffic is incidental to the main carriage of goods. In explanation of this, at present TAA does make flights between Perth and Darwin and from Darwin to Perth and, within the Act under which that airline operates, it has power to make intermediate stops within Western Australia. We could allow that airline, if it so desired, to carry 15 or 16 passengers from, say, Perth to Darwin and enable it to disembark 10 passengers at Port Hedland en route. The airline is empowered to do this at present, but the economics of such a move bar it from doing so.

If it were given the right to operate a full intrastate service by the passage of this Bill and the subsequent approval of the State Government of the day on conditions and under arrangements agreed upon, the airline could, on the proposals that have been submitted, pick up passengers from Darwin and other intermediate ports and carry them to Perth. It could also operate a return service from Perth to Darwin.

Mr. Withers spoke at length last night. He indicated his opposition to the Bill and he based his opposition mainly on the submissions that have been presented to all members of Parliament by Ansett Transport Industries. However, he did not mention the monopoly that MMA has over Western Australia.

The Hon. W. R. Withers: That is not correct. I also mentioned TAA and D.C.A.

The Hon. S. J. DELLAR: I said "mainly" which included the other submissions. They were sent to all members of Parliament.

It depends on the picture one wants to paint as to what submission one uses. The initial submission by Ansett Transport Industries in support of MMA was printed and circulated in July, 1971, and was signed by Sir Reginald Ansett. The second submission by ATI in support of MMA was also signed by Sir Reginald Ansett on the 28th March, 1973. I understand the submission was based mainly on the situation as it existed around November and December, 1972. It is true that with the economic decline in the mining industry and other areas of the north, the situation regarding traffic availability and loading was at a very low ebb.

The Hon. R. F. Claughton: Was that 1972 or 1971?

The Hon. S. J. DELLAR: I understand it was 1972. I believe that ATI's submission could have been based on the figure remaining at a static level. As Mr. Hunt explained, this has not been the case because significant increases in the amount of traffic carried by MMA have occurred up to this time.

I imagine that if I desired to use TAA's submission of March, 1973, and play it against ATI's submissions, I could probably present as good a case for the introduction of TAA into Western Australia as Mr. Withers presented in opposition to it. Be that as it may. It

depends on one's outlook how one presents a case. If I liked to adopt the same attitude I could get the opposite result. I do not know whether I would make as able a spokesman for the Government as Mr. Withers made for the Opposition, according to the Press; but I would make an equal contribution.

It is strange that Mr. Withers, a Liberal member, is opposed to the two-airline systsem when that system was introduced by a Liberal Federal Government. Such a sytem is Liberal Party policy. As a matter of fact TAA was introduced under a Liberal Government.

Are we talking about TAA versus MMA? We are definitely not. The position is we are considering whether ATI should be permitted to maintain the monopoly it has over airline services in Western Australia or whether TAA should be permitted to share the business. Amongst all the papers and circulars distributed on the subject, one issued by MMA was headed, "'War of the Air Giants'". If we pitted TAA against MMA, it would not represent a battle of air giants, but a battle between a David and a Goliath.

The Hon. W. R. Withers: That poster was issued as a result of a TV interview and MMA made a reply to the interview.

The Hon. S. J. DELLAR: All I know is that at the bottom is the following—

> if you want to know more write to MMA.

MMA is a wholly owned, controlled, and directed subsidiary of ATI. It is only a small segment of ATI's entire operations. ATI holds the airline licenses for all routes operated by Ansett, including MMA. Because MMA is a wholly owned, directed, and controlled subsidiary of ATI naturally it has a great number of aircraft from which to choose. For instance, when members of Parliament went north recently they used an ATI aircraft which was returned to the Eastern States after the trip. I could quote instances of how MMA staff have been transferred to the Eastern States to operate ATI aircraft when, because of the build-up in the Eastern States, the staff there was not able to cope.

Mr. Withers claims that the introduction of the Bill and the proposal for TAA to enter the airline services in Western Australia is politically motivated and that by inference TAA and D.C.A. have been told to operate in Western Australia. I do not believe this is the case at all.

Back in 1967 MMA was advised by D.C.A. under Liberal State and Federal Governments that the Government was planning for competitive services to be authorised after the subsidy contract expired in 1971, which was a little over two years ago. This was announced by a Liberal Government.

The Hon. R. F. Claughton: The situation is that it was inspired by a Liberal Government.

The Hon. S. J. DELLAR: If it is politically inspired now, it was politically inspired then. The two-airline system operates in the other States and it is alien to my philosophy that monopoly business undertakings should be permitted to continue without competition. Without competition some improvements are possible such as has been the case with the growth of the MMA set-up in Western Australia. Mr. Hunt said he can remember the improvements over the last 20 years. I have been using MMA for only 10 years. Originally the old DC3s were used, but gradually the better aircraft have been introduced. Even though MMA has improved its services over the years—and I do not mean to rubbish MMA for the service it gives—I consider that competition always stimulates further development and increases services for the public at large.

Mr. Withers maintained that he was basically referring to two points, one of these being whether the passage of the legislation would be in the best interests of the public and of the State of Western Australia. His opinion, based on the submission by ATI, is that it would not be in the best interests of the people of Western Australia at this stage. He also said that the people in the north did not want the introduction of a second airline service, but later on he said that most people would like a two-airline policy to be adopted and operated in Western Australia, but that the Bill should be rejected and studied in the interests of Western Australia.

This has been discussed since 1967—and, in fact, even before that. Submissions were made in 1971 and 1973. The matter has been discussed at great length. What do we do? Are we to put off the evil day further or make a decision now?

In my opinion, many people in Western Australia want a second airline. I am referring not only to the people who live in the north but also to people associated with city firms and businesses. In addition, there are those who wish to take holidays in the north.

The Hon. R. F. Claughton: There was a good session on Channel 7 on that point.

The Hon. W. R. Withers: It was rather biased and there were quite a few untruths in it.

The Hon. S. J. DELLAR: People complain about freight charges and the need to pay express airfreight on goods to be sent to the north. In addition, they complain about connecting flights. It is said that it is impossible to catch a plane direct to Learmonth, or some other place to which a person may want to go. However, MMA must spread its aircraft over

the most profitable routes and give the best service possible with the existing number of aircraft it operates.

Complaints have been made about the need to book fairly well in advance. Mr. Withers, on his own admission, said that he had to book yesterday to be sure of a flight to the north on the 24th December.

The Hon. W. R. Withers: I did not say that; I said that I booked yesterday and was able to obtain a flight on the 24th December.

The Hon. S. J. DELLAR: I am sure that if Mr. Withers were to book on the 15th December, he would still be able to obtain that flight.

In this day and age far more people are using aircraft as a means of transport than was the case previously. It is archaic that a person cannot go into an airline office one or two days before he wants to travel and book a flight. This can be done in the Eastern States.

The Hon. N. McNeill: Can it be done for bookings on trains to the Eastern States?

The Hon. W. F. Willesee: Of course it can.

The Hon. A. F. Griffith: Can it be done on ships?

The Hon. S. J. DELLAR: I believe it is ludicrous that this situation exists. I cannot blame MMA entirely because at certain times of the year it simply does not have sufficient aircraft to accommodate the people who wish to travel. As Mr. Withers said, this applies particularly at Christmas and when children go off on school holidays. I have not had any trouble because I always book two weeks in advance, mainly because I would hate to miss a sitting of the Parliament.

The Hon. A. F. Griffith: That is good stuff!

The Hon. S. J. DELLAR: I thought the Leader of the Opposition would appreciate it. Some of the benefits which I see in allowing TAA access to Western Australia should be mentioned. Through the introduction of the DC9, people will travel in a bigger, faster, and more comfortable aircraft.

The Hon. J. Dolan: It will be cheaper too.

The Hon. S. J. DELLAR: This will result in cheaper fares. If members study the figures they will see that possibly a saving of $4,000,000 per year will be effected. This would not be an excessive estimate of what could be saved if people were given the right to take advantage of the cheaper air fares. The additional cargo space available would reduce the need for air express. I am not saying it would do away with it entirely, because some people wish to use air express to ensure that an object arrives at a certain place without any delay —and delays can occur. I am not singling out MMA in saying this.

The passage of the measure would result in improved airport facilities in the north at no cost to the State. An undertaking has been given by the Federal Minister for Transport and Civil Aviation that $1,350,000 would be required initially to upgrade Hedland, Broome, Derby, and Kununurra. This amount will be met by the Australian Government.

The Hon. R. Thompson: It will be of great benefit to the State.

The Hon. S. J. DELLAR: It will be of great benefit to the north of the State and, in saying this, I am not referring only to the lower north province which, together with Mr. Berry, I happen to represent.

It has been said that there will be no need for additional air navigational facilities as these already exist at all north-west airports. The T-bar landing facilities have been installed and are operating in all airports in Western Australia where MMA F28s now land.

If the measure is not passed, there will be no need to upgrade the airports which already satisfactorily accommodate the existing aircraft. Consequently, the work would not be carried out, because there would not be the need for it.

Reduced fares will encourage additional tourists to Western Australia. I am sure that many package deals would be worked out by the airline companies. At present many people shy off from a holiday in the north because of the cost.

The alternative is to allow the present situation to continue. If MMA continues, as at present, with its F28s and if the traffic growth increases, it would seem necessary to put extra aircraft on the run. Quite obviously additional aircraft will need to be purchased and used. If we choose to continue with the F28 service, the airports in the north will remain as they are today and the facilities will not be improved.

The Hon. N. McNeill: Who would pay for the facilities if MMA were to put on DC9s?

The Hon. S. J. DELLAR: I would say that the Australian Government would pay.

The Hon. R. Thompson: MMA does not intend to put them on.

The Hon. S. J. DELLAR: At this time the existing MMA staff have been given every assurance of employment by the Australian Government to ensure that they will not be disadvantaged. People would be protected in the case of redundancy.

The Hon. W. R. Withers: They would not. The Australian Government has given no promises but has said that it would endeavour to do this.

The Hon. S. J. DELLAR: I said that at this time the existing MMA staff have been given every assurance that the Australian Government would try to find alternative employment for them if it were found necessary.

The Hon. W. R. Withers: Without seniority!

The Hon. S. J. DELLAR: If we do not allow the Bill to pass the existing service will continue and this means that cargo space will be extremely limited.

The Hon. W. R. Withers: It means that they will offer three services a week instead of seven.

The Hon. S. J. DELLAR: If we do not allow the measure to pass, the existing airport facilities in the north will continue as at present. This will put further into the future the time when interstate and overseas flights could be directly connected with northern centres. Unquestionably this day must come. If we allow this opportunity to slip the work will not be carried out now. God knows what the expense will be in 10 years' time when I believe the population in the north will make it necessary for the facilities at the airports to be improved.

The Hon. W. R. Withers: Why cannot this be done now?

The Hon. S. J. DELLAR: There is no necessity for it to be done now if we continue to use the present aircraft. This is because all the airfields which are currently served by F28s are adequate and comply with the safety requirements of the Department of Civil Aviation. There is no need to spend further money on them at present.

The PRESIDENT: Order!

The Hon. S. J. DELLAR: Perhaps I could continue—

The Hon. A. F. Griffith: Do you not think—

The PRESIDENT: Order!

The Hon. A. F. Griffith: Do you not think—

The PRESIDENT: Order!

The Hon. S. J. DELLAR: Mr. Withers also mentioned that TAA could be granted the right to come in, could begin operating, and then, finding it could not continue to operate, would pull out as it did in Tasmania. I believe Mr. Withers said that TAA only serviced Tasmania for a period of approximately 18 months before it pulled out.

I have found out that TAA commenced operations between six towns in Tasmania. An additional calling point was included in 1964 and another in 1966. The services were operated by Beechcraft A80 aircraft, which are small aircraft. In fact, the service was operated for a number of years until it became impossible to continue as a result of the losses which were being incurred. An approach was made to the Commonwealth Government for assistance to continue the services. However, this was denied and, subsequently, TAA withdrew its services which it had been operating in Tasmania. Another operator —Aerial Services of Tasmania Pty. Ltd.— took over the services which TAA had been operating and that company is still continuing with those services.

In addition, TAA still continues to service Hobart, Launceston, Devonport, and Wynyard on its interstate network. Consequently it is impossible to say that TAA has pulled out of Tasmania. I am sure that ATI stayed with this service.

I would be remiss if I did not comment on the editorial in today's *The West Australian* to which Mr. Hunt referred briefly. I am sure most members have read it, and I do not think you, Sir, would permit me to read it in its entirety.

The Hon. R. F. Claughton: It would not make good reading to those opposing the Bill.

The Hon. S. J. DELLAR: It would make very good listening to all who heard it. The tenor of the editorial is that TAA should be given the opportunity to operate in Western Australia.

The Hon. A. F. Griffith: What interests me is the timing of the editorial. The paper was on the streets before midnight, and we did not start the debate until that time.

The Hon. S. J. DELLAR: Quite a coincidence, I suppose.

The Hon. A. F. Griffith: I am sure it was!

The Hon. S. J. DELLAR: I did not give this information to the Press—it would take no notice of me anyway.

The Hon. R. F. Claughton: It must have known the Bill was on the notice paper!

The Hon. S. J. DELLAR: The present monopoly situation should not be allowed to continue. Adequate assurances have been given to safeguard, as far as possible, the existing situation in regard to staff, aircraft, and the improvements which will be necessary to implement the proposal. We have been told of the cost to the State, and the subsequent savings to the people.

The acceptance of TAA into the Western Australian intrastate air service will be carried out in the same spirit of co-operation and negotiation which exists in the Eastern States where both airlines operate in competition. I believe the introduction of TAA to this intrastate service will result in overall benefit to Western Australia and to the people of Western Australia. With those remarks I support the Bill.

THE HON. CLIVE GRIFFITHS (South-East Metropolitan) [3.42 p.m.]: My comments to this Bill will be relatively brief. At the outset I would like to say that the intelligence services of the two airlines concerned are indeed excellent.

The Hon. D. K. Dans: Full of mystification!

The Hon. CLIVE GRIFFITHS: I say this because over the last 12 months or so, within hours of receiving a submission from one of the airlines, members of Parliament have received a counter submission from the other airline. This has been apparent to such an extent that previous speakers referred to the volume of letters they had received on the subject.

Last night I interjected while Mr. Withers was speaking and suggested that if both the airlines spent their finances looking after their clients rather than on the volumes of literature they have produced, perhaps they would have done themselves and their clients a great deal more good. A large amount of money has been spent on the paper warfare which the airlines have entered into over the last year or so.

The Hon. R. F. Claughton: You cannot complain about a lack of information.

The PRESIDENT: Order!

The Hon. CLIVE GRIFFITHS: Indeed, Mr. President, I am certainly not complaining about a lack of information.

The Hon. R. F. Claughton: You often do.

The Hon. CLIVE GRIFFITHS: We complain about a lack of information only when the source of the information is our State Government. That is when information is lacking. However, that is not the situation where the two airlines are concerned.

The Hon. D. K. Dans: You had better get off the ground.

The Hon. CLIVE GRIFFITHS: The interjections prevent my doing so. In considering a subject such as this, the paramount objective should be the provision of an efficient and sufficient service at a reasonable cost to the people. This should be the ultimate aim in our mind when we consider the situation.

I will also say that if there has been a campaign to introduce a second airline into Western Australia, it is certainly my belief that the blame for this lies wholly and solely on the shoulders of MMA. I do not suggest that over the years MMA has not been a wonderful asset to the State of Western Australia—indeed it has. In those pioneering years it provided a service which was responsible for opening up much of our State. However those days no longer exist.

Sitting suspended from 3.46 to 4.03 p.m.

The Hon. CLIVE GRIFFITHS: Prior to the afternoon tea suspension I said that in my opinion any blame for the commencement of any campaign which may have existed to introduce a second airline into Western Australia rested wholly and solely on the shoulders of MMA. I said there is no doubt in my mind that MMA, which operates under a license from the State Transport Commission and under the Air Navigation Act, has abused its position, particularly with regard to freight where premium rates are charged but no guarantee is given.

We have already heard mention made of the term "air express"; previously I did not think there was any other way of sending goods by air to the north. It seemed to me to be the only way one could send freight by air to the north. So I was delighted to know that another method is available; but obviously it is a most unsatisfactory method because the freight does not get carried. So this is one of the areas in which MMA has a great deal to answer for.

The Hon. W. R. Withers: And TAA more so because their percentage is higher.

The Hon. S. J. Dellar: I would prefer to listen to Mr. Clive Griffiths than to listen to you.

The Hon. CLIVE GRIFFITHS: The loading of 100 per cent. on freight charges simply as an assurance that the freight will eventually be carried is a grave miscarriage of the obligation MMA has to the people of Western Australia.

The passenger bookings of that company to some places also leave a lot to be desired. MMA has a system of—I am not sure whether I have all the correct terms—block booking, under which large companies block book sections of the passenger accommodation on the planes. It has now become the rule rather than the exception that a person who is not a party to a block booking finds himself placed on a wait-listed basis whenever he wants to travel with MMA.

He must wait practically until the death knock before the airline finds out whether or not a company which has block booked is going to use all the seats; and if it is not going to use all the seats then the private passenger has one made available to him. That is another area in which I think MMA has misused the license it holds to operate an airline in Western Australia.

It seems to me that the answer to this problem is within the grasp of the authorities which provide MMA with the necessary licenses to operate its service. I would suggest that rather than introduce TAA to compete with MMA, the authorities should look at another area in which competition could be instigated. Somebody mentioned private enterprise or

free enterprise. I happen to be one of those people who believe in private or free enterprise. I have always believed that free enterprise means there is room for somebody else to compete. It cannot be called free enterprise if one holds the sole right to carry on a particular type of business. In my opinion that is a monopoly, and I am not terribly enthusiastic about monopolies. So far as I am concerned, "free enterprise" means "freedom to compete for the business that is available".

However, apparently MMA does not believe in that; it believes that "free enterprise" means "freedom for it alone to carry on this business". I agree that in the early days it may have had some justification for that belief.

The points I made earlier about block bookings and extra air freight are matters of which I have had personal experience as a businessman prior to becoming a member of Parliament—and since—in respect of trying to get goods to the north. I have not been personally involved in this over the last few years. However, only yesterday I received a letter from a very good constituent of mine, who confirmed that the same situation still prevails today. This is a long, three-page letter with which I will not weary the House, although he authorised me to read it should I so desire. It confirms that the situation which prevailed between 1965 and 1968, when I was engaged in trying to carry out contracts in the north of Western Australia, still prevails.

So, as far as I am concerned MMA's definition of "free enterprise" is entirely different from mine. However, I come back to what I said earlier: I do not believe that the answer lies in allowing TAA to operate in this State. The authorities which grant permission for airlines to operate in Western Australia have over the years severely restricted the operations of general aviation or charter operators. I happen to know that in recent years charter operators have had stringent restrictions placed upon their operations on regular transport routes operated by MMA. Over the years these people have requested a relaxation of the stringent conditions which apply to them with regard to the cartage of freight.

As I understand the situation, charter airline companies are restricted to carting freight once a month for their clients to any particular place in Western Australia. I would think that the method of overcoming this problem is not to introduce the giant TAA into Western Australia for the reasons mentioned by Mr. Withers in respect of economics, but instead to permit charter airline companies which already exist in Western Australia to compete with MMA at least in respect of freight. That seems to me to be a practical solution. When Mr. Dellar was speaking I interjected because he was stressing the word "freight"; and he said loudly and clearly that freight is one of the major issues.

The Hon. R. F. Claughton: He said "cargo".

The Hon. CLIVE GRIFFITHS: Well, now Mr. Claughton and I are in the same situation with regard to the difference between freight and cargo that I said I was in with MMA in respect of the definition of "free enterprise".

The Hon. D. K. Dans: His is an instant opinion.

The Hon. CLIVE GRIFFITHS: Yes, it would be better if he studied it a little. I think he would find that freight and cargo are generally accepted as being fairly close to the same thing.

The point I am making is that the problem could be overcome by permitting charter operators to have more freedom in respect of the cartage of freight. At the moment they are not permitted to cart much freight, and it is within the scope of the Transport Commission to permit them to cart more. They have made approaches in this regard, but their approaches have been refused for some reason best known to the commission. As far as the commission's idea of organising a freight transport system in Western Australia is concerned, I could talk for an hour on the stupidity of some of the things it has done. However, I will not because you, Mr. President, will not permit me to do so.

I believe here we have a practical and workable solution which would provide the essential competition of which we have heard members speak. That would look after an industry in Western Australia that currently needs looking after, because of the downturn in the business that originally attracted many of these charter aircraft companies to this State.

We have been referring to the difficulties confronting the pilots, and to the redundancy of MMA pilots if TAA operated intrastate services in Western Australia. These general aviation companies have always been a significant source of training for pilots. Rather than causing redundancy in the airlines, the introduction of TAA into the intrastate air services would, in fact, bring about a redundancy in the pilots who now operate planes owned by charter aircraft companies, because some of the freight they now carry will be carried by TAA. So, there will be a redundancy in the charter air service section of the industry; but these are the very people who have played their part in the development of the State, and in the exploitation of our mineral resources, and the like. I repeat that redundancy could occur in that sector of the industry.

MMA does not operate any feeder services to its regular air routes, and neither does TAA intend to do so. The charter

aircraft companies which operate feeder services should be given the opportunity to transport some of the freight that is offering.

The entry of TAA into Western Australia will, in the short term, solve the inadequacy of air services provided by MMA in only one area, but the effects of this will soon merge into a further decline in the general aviation services of this State, including feeder services operated to feed the regular routes. I believe this would result in higher charges to the public, as both TAA and MMA will attempt to cover increased costs caused by a reduced volume of business.

I am suggesting that the method proposed by the Government to solve this problem —I am sure everyone agrees that a problem exists—is synonymous with cracking a peanut with a sledgehammer. I suggest that both the State Government and the Commonwealth Government already have the power, through the Transport Commission and the Air Navigation Act, to allow necessary competition to exist to ensure a better service to the people of the State as a whole, without damaging the industry beyond repair.

Some points have been raised by several Government speakers in regard to monopolies and the protection of the existing services. I thought it was rather ironical they should say that, because their comments cast my mind back to the 7th September, 1971, when the Leader of the House, who at the time was also Minister for Transport, introduced a Bill to amend the Transport Commission Act. The Bill was introduced to achieve two purposes. One was to prevent any competition with the Government-operated ferries on the river.

On this occasion I think the comments of the Minister were rather ironical, when he suggested that one of the main reasons for introducing another intrastate air service in Western Australia was the need to create competition.

The Hon. D. K. Dans: As I recall it, you supported the Bill in 1971.

The Hon. CLIVE GRIFFITHS: It would take me too long to find that out.

The Hon. D. K. Dans: You used exactly the opposite argument to the one you are now using.

The Hon. CLIVE GRIFFITHS: I am not using exactly the opposite argument at all, because I am suggesting we need competition. I said at the commencement of my speech that the blame for the need for competition lies with MMA, which in the last few years has abused and misused the license it has held. I am suggesting that at this stage competition ought to come from another sector of the industry; namely, the charter companies operating in Western Australia.

I have not yet completed my comments on the Bill which was introduced in 1971 to stop competition against the Government-operated ferries. If Mr. Dellar reads the debate which took place then, he will find that when the vote was taken he is recorded in *Hansard* as having voted on the side of the House which objected to competition to the ferries.

The Hon. S. J. Dellar: It is a coincidence that you recall how I voted, but you are not sure how you voted.

The Hon. CLIVE GRIFFITHS: It is not a coincidence at all. I am making the point that here we have an inconsistency in attitude adopted by members of the Government. On the one hand, because the service happened to be operated by a Government instrumentality which was being opposed by some individual who was prepared to risk his capital on a hydrofoil service, the Government stepped in and introduced a Bill to curtail the competition.

On the other hand, in the case now before us, we see the reverse situation. We have a private airline operating intrastate, but the Government feels it is necessary to have competition. I do not happen to be one of those inconsistent individuals. In 1971 I believed there ought to be competition, and on the present occasion I also believe there should be competition. The only area of difference is where the competition should come from.

I conclude my comments by making this suggestion: I suggest that an inquiry be conducted into the capacity and ability of general aviation within the State to meet the current excess demand which MMA is unable to cater for. I suggest the Transport Commission use its power to meet this demand.

I believe that from such an inquiry would emerge a policy, which would ensure the rationalisation of the general aviation industry in this State, and there would probably emerge in due time, as demand warranted, an airline company of the stature of East-West Airlines in New South Wales, which is operating efficiently and competitively.

For the reasons I have given, I cannot support the Bill as it stands.

THE HON. V. J. FERRY (South-West) [4.24 p.m.]: Firstly, I would like to compliment Mr. Withers on his contribution to the debate last night, because he covered the subject matter in very great detail, after having given it deep study. He made a number of points in his submission which I intended to raise, so I do not propose to canvass the ground on which he touched. However, there are a number of facets of this legislation on which I would like to comment.

Firstly, I believe that competition between any two operators is a very good thing. Of course, in many fields competition does promote initiative, a better service, sharpness, and better performance. On the other hand, there could be circumstances where one operator in a certain situation could serve the community to far greater effect than it would be served with the existence of competition, because with the intrusion of another operator the slice of the cake would have to be shared and the service provided might not be profitable to both concerns.

We have examples of where one operator does serve the needs of the community. In this regard I could mention the Metropolitan Transport Trust, which is a monopoly. We accept that this instrumentality does provide an adequate service to the public. Other examples are the Western Australian Government Railways, which is also a monopoly; the State Electricity Commission, which conducts a profitable business in the interests of the community; and in the Commonwealth sphere, the Postmaster-General's Department, which currently is experiencing a problem, and which is in conflict with the Hutt River Province.

We find situations where, on the one hand, the existence of competition is very healthy; and, on the other hand, there are exceptions to the rule. I make these points quite clearly, because I realise that argument can be used to support one side or the other. We need to recognise there are these two differing features.

The legislation before us concerns two airlines. We all know that both TAA and MMA have excellent records of service, from the time they first commenced operations. They have outstanding records of service in regard to reliability and in other directions. I am not suggesting the service they provide is perfect. Indeed, one would be foolish to suggest that these airlines are so far in front that there is no need for improvement.

Mr. Clive Griffiths referred to some difficulties he experienced in respect of the service provided by MMA. I am sure the same applies to any service, and from time to time we find difficulties arising; but surely these difficulties can be ironed out. Of course, a company would be strengthened if it acknowledged the difficulties and did something about them.

On the aspect of safety, I suppose that we as a nation have a very proud record in the civil aviation field. I am sure it is a tremendous comfort to us to have this kind of record. Let us hope it will continue to be a good record, and that nothing will be done to detract from it. If we do nothing else we should maintain the existing safety standards.

On a personal note I am somewhat disappointed, because it seems that neither of these airlines is likely to assist me in the part of the State that I represent; namely, the South-West Province. In trying to assess the proposition in an unbiased way, I have examined a number of points. I have carried out some simple tests to determine whether one system was better than the other.

Mr. Withers has covered a whole range of features, and it is a credit to him that he did so. As he has already done that I am limited to bringing forward a few. However, I am sure there are features other than those I shall mention.

One must have regard for the capital costs, and this applies to both companies. One very special feature is the need to cater for the staff of each airline. If TAA is to be granted permission to operate intrastate air services in Western Australia, as proposed in the Bill, it would be necessary to obtain a definite assurance that the staff of MMA which becomes redundant, because of the competition and the duplication of services in many instances, would be properly catered for.

This is a fact which apparently has been glossed over by the Government. Goodness me, I can well remember—long before I entered this House, when I took an interest in debates which took place here—the great furore which arose from time to time concerning the redundancy of employees. One occasion to which I can refer particularly was when the State Building Supplies were taken over by Hawker Siddeley. The Government of the day chose its course of action in the interests of the State, and the Opposition at the time—which happened to be the Australian Labor Party—was concerned about the future of the employees, and rightly so.

The Opposition was extremely concerned for the welfare of the employees of the State Building Supplies. So it is that under the provisions of this legislation the Government should have the highest regard for the same problem in this respect. Yet, the Government has glossed over this feature in spite of the fact that it is claimed by the Australian Labor Party that it looks after employees. I rather question the credibility of the Government on this occasion.

When the Minister presented his case to the House his second reading speech was a reasonably short address. Because of the brevity of the speech I have come to believe that the Government is only lukewarm in its endeavour to seek the introduction of TAA air services in the intrastate field. I cannot come to any other conclusion.

I have read, and reread, the second reading speech made by the Minister and it seems to me that the Government has made a very poor effort in its endeavour—and its backing—to introduce a second airline into the civil aviation services of this State. I will quote one paragraph

from the Minister's speech, which can be found at page 4878 of *Hansard*. It is as follows—

> If the Bill is passed it will not take effect until a date fixed by proclamation and it is not our intention to have it proclaimed unless we are satisfied that the proposed operations of TAA will be in the best interests of the people of Western Australia.

It is obvious that, at this moment, the Government is not convinced that the introduction of TAA services would be in the best interests of Western Australia. It is not good enough for the Government to bring legislation to the Parliament and take pot luck. The Government should know where it is heading and should have the conviction of its own argument before bringing legislation to Parliament. The Government is opting out of that responsibility and is asking this Chamber to adjudicate on a matter which should be Government policy, and should have strong support from the Government.

The Hon. D. K. Dans: Is the honourable member suggesting that we should not have brought the measure here for discussion?

The Hon. V. J. FERRY: I am suggesting it should have been brought here when the Government was sure of its own convictions. The Government should not introduce a Bill such as this and ask this Chamber to legislate for it. The Legislative Council is a House of Review; not a Government.

The Hon. S. J. Dellar: How many Bills come before this House with a clause stating that they will come into operation on a date to be proclaimed?

The Hon. V. J. FERRY: Why should the Minister say that if the Bill is passed it is not the intention of the Government to have it proclaimed unless it is satisfied that the proposed operations of TAA will be in the best interests of the people of Western Australia? Obviously, it is not satisfied that the introduction of the operations of TAA in competition with MMA will be in the best interests of Western Australia.

During the course of earlier debate there was mention of the situation which existed in respect of Tasmania where, I believe, TAA did operate several years ago. Apparently TAA found it uneconomic and withdrew its service and since that time the area has been serviced by private enterprise, which still operates today.

The Hon. S. J. Dellar: That has happened in many other areas too.

The Hon. V. J. FERRY: But it does show that private enterprise can do the job without any necessity for competition from TAA.

The Hon. D. K. Dans: Is the honourable member sure he knows what he is saying?

The Hon. S. J. Dellar: The Tasmanian situation is completely different, and it applies to remote areas.

The Hon. V. J. FERRY: I am not terribly concerned with the interjections from members opposite; I am more concerned with my own comments. I believe we must show the Government up for what it is worth. It is masquerading as a Government without accepting the responsibility of having to do the work.

The Hon. D. K. Dans: One of your members believes that the Bill should not be read a second time.

The Hon. V. J. FERRY: I am speaking on my own behalf, and other members can make up their own minds.

A particular feature which concerns me in respect of this legislation is that it provides that the Government of Western Australia can opt out. In other words, if TAA is allowed to operate in competition with MMA there is a proviso that if the Government is not satisfied with the operations of the airline approval can be withdrawn. Of course, we know that this would be quite impossible because the Government would not do that except for an extraordinary reason or under extraordinary circumstances.

Once the Government grants approval for a firm to operate—particularly a transport firm of this magnitude with its tremendous capital outlay—it will be almost impossible to withdraw that approval. If the Government were to take such action it could be up for a tremendous sum of money by way of compensation. Once an additional airline is allowed into Western Australia to compete with MMA it will, in fact, be a permanent arrangement. That is a fact of life.

I support the views expressed by Mr. Clive Griffiths a little earlier when he suggested that charter aircraft could well be employed to service the needs of this State, particularly with regard to cargo. The charter aircraft business is in need of extra work at the present time, and it could handle the extra loading if it were charged with that responsibility. I have not gone into the economics of such a proposition in any detail, but it does seem to me that charter aircraft could be allowed to do the extra work by special arrangement. That would give some degree of competition to the airline which already operates.

The Hon. D. K. Dans: Is the honourable member aware of the Ipec case?

The Hon. V. J. FERRY: I am not concerned with that case; I am concerned about Western Australia. If such an arrangement with charter aircraft could

not be entered into in any way then I am sorry. However, I support the thought expressed by Mr. Clive Griffiths because it does seem to be a common-sense approach. Such a course would create employment in the civil aviation field.

Finally, I want to draw the attention of members to the annual report of the Director-General of Transport for the year ended the 30th June, 1973. The Director-General of Transport made certain observations and I refer members to page 12 of the report where the director-general gives a resume of the situation and canvasses the possibility of TAA operating in competition with MMA in this State. He has come up with some good and sound arguments one way and the other. I believe that some of the points which have been raised have yet to be satisfactorily answered—at least as far as I am concerned. Perhaps the Government might be satisfied but as far as I am concerned I believe the director-general has raised some very pertinent points indeed.

At the time of going to Press he expressed grave doubts that Western Australia could be better served by the introduction of TAA services into Western Australia, as compared with MMA services already provided.

There are a number of other points I wish to raise but I do not intend to prolong the issue. At this stage I indicate that, unless I can be convinced by the Minister representing the Goverment, when he replies to the debate, that this measure is in the best interests of Western Australia I cannot see myself voting for the second reading.

THE HON. R. F. CLAUGHTON (North Metropolitan) [4.41 p.m.]: We should get back to the Bill, the purpose of which is to allow the Government to permit TAA to operate air services within this State based on the Government's judgment of the case. It is not the role of members of this Chamber, when they vote on this Bill, to decide that from that time on TAA will operate in this State.

The Hon. W. R. Withers: But the Premier committed himself, in 1972.

The Hon. R. F. CLAUGHTON: The honourable member opposite really needs to study the Minister's speech on this matter.

The Hon. W. R. Withers: That went back to 1972.

The Hon. A. F. Griffith: I can tell the honourable member opposite that he will not get anything out of that—or very little.

The Hon. R. F. CLAUGHTON: It has become quite evident from the remarks of members in Opposition—and the word "bias" was used by Mr. Withers in an interjection—that the concern of the people of Western Australia is not what the Opposition is defending.

The Hon. W. R. Withers: Rubbish!

The Hon. D. K. Dans: That interjection is garbage.

The Hon. R. F. CLAUGHTON: If this Bill is passed it will become the responsibility of the Government to examine carefully the submissions put forward by both operators, and then reach a decision. If it is shown, as it is claimed by MMA, that it is not wise to allow TAA to enter into operations in this State at this time then I take it the Government, acting in a responsible manner, will not permit TAA to enter into competition.

The Hon. A. F. Griffith: That is utter nonsense.

The Hon. R. F. CLAUGHTON: I would think that if the Opposition parties were in Government they would follow much the same course. It has already been said that it was a decision of the previous Liberal-Country Party Government in Canberra to allow TAA to enter into competition in this State. That decision would have been based on information available at the time and I take it it would have been a responsible decision. I doubt whether members opposite would disagree with that.

We are being requested to allow the Government to decide whether or not to allow TAA to enter into competition with MMA in this State. The Government will decide whether it is feasible and in the interests of Western Australia in general, and not just in the interests of Ansett Transport Industries, to keep TAA out.

It is understandable that the company which is at present operating would go to extreme lengths to maintain its monopoly position. I do not criticise the company for that. Any company which is operating in an efficient way and wishes to maintain its marketing position would make the same protest. However, it must be acknowledged that the company has a monopoly position and wants to maintain it.

It must also be remembered that it is not a State company which is seeking protection, and it is not a question of protecting State rights. I am a little surprised we have not heard that term in the debate so far. In keeping TAA out we would be protecting a highly centralised airline system in ATI, and that is not necessarily in the interests of Western Australia.

I think it is understood by most members that the highly protected two-airline system which we have in Australia is maintained in the interests of the flying public. The safety requirements which are imposed upon the airlines are such that the operation becomes very costly. It is highly desirable that the safety standards be maintained. Australia is very proud of its air safety record, and we would not want to be responsible for any reduction in the

safety standards. The Department of Civil Aviation is the agency which is responsible for safety, and it is interesting to know that department is supporting the application of TAA.

By way of interjection I corrected Mr. Clive Griffiths when he quoted Mr. Dellar as using the word "freight". I said the word actually used was "cargo". I did that intentionally; some people take the attitude that near enough is good enough. A greater degree of accuracy is required in some of the statements which are made. I was hoping to persuade Mr. Clive Griffiths to be a little more accurate.

The Hon. Clive Griffiths: You need not worry about me.

The Hon. R. F. CLAUGHTON: It is not realistic to expect air charter companies in this State to compete with MMA, because MMA is part of Ansett Transport Industries and its resources make a joke of competition. A small company cannot compete. When we speak about competition, we are speaking about a small charter company trying to compete in this State against the resources of the Ansett giant. That is the kind of accuracy which should be brought into the debate when speaking of competition.

As members will be aware, since it has taken over MMA, ATI has reduced the number of ports it serves. I do not criticise the company for that action because it is taken in the interests of efficiency and safety, which in the end means the interests of the people who use the services.

TAA would use charter operators to service its routes, just as MMA does, and there is no doubt that charter operators would end up with more business if TAA entered the field because it would attract a greater amount of freight. The charter services would benefit from handling a proportion of the freight on routes other than the trunk line. I think the fears expressed by Mr. Clive Griffiths are needless. The operations of TAA elsewhere indicate that it would benefit not only the people who use air services but also the State.

I admit it has been very difficult to sort out the pros and cons of the case. Differing figures on projected costs of the companies have been produced. MMA produced some quite staggering figures on the question of redundancy, but it has not been able to substantiate those figures and they have been corrected. I doubt whether even now the estimates are accurate.

The Australian Government has promised to do its best to ensure that the employees do not suffer as a consequence. I make mention that in the transfer of the Papua-New Guinea services arrangements were made to cater for the people who were no longer required. The unions have redundancy agreements which cover such matters, and in a company of the size of ATI there would be no difficulty in accommodating any redundant staff resulting from the entry of TAA. I repeat there is no fear on that score.

With the introduction of TAA, it may be necessary for ATI to transfer staff from one State to another. That is not infrequent in airline services and would normally be expected. Changes do occur, and the growth in the industry in this State means there is mobility. With increased services, more staff is required and there is greater mobility of staff. Airlines do not stop growing; that is in the nature of things. It is also in the nature of things that TAA will enter into service in this State.

The two-airline policy is accepted by both parties. Opposition to the Bill will delay the matter, and introduction at a later stage will be more difficult. The service in this State is in a strong growth position. Western Australia is booming under the Labor Government, as everyone knows. Unemployment levels are extremely good and there is plenty of work available. The traffic on flights to the north is increasing at an extremely encouraging rate, and this is therefore a good time to make the change. If MMA is experiencing a shortage of staff, that will lessen the effect of the introduction of TAA. The possibility of loss will be reduced in this growth situation, and all the signs seem to be favourable.

I return to the point with which I commenced. We are being asked to allow the Government to accept responsibility for making the decision and to put the Government in a position where it can examine the proposition carefully from both sides and make a responsible judgment on the matter. There is no doubt that the decision will be a responsible one. It will definitely be based on the interests of all the people, and not only on the interests of one particular group, which seems to be the order of the day for members of the Opposition.

THE HON. G. W. BERRY (Lower North) [4.58 p.m.]: In principle, I support the operation of a two-airline system. I have had experience in the Carnarvon district, where we had a monopoly transport system which caused a great deal of concern. It was a very efficient system but we had no yardstick with which to measure whether or not the costs were competitive. It is on that yardstick that I support the principle of a two-airline system, and that is no doubt the reason why the two-airline system has been inaugurated in the Commonwealth.

However, while I support the principle of a two-airline system in this State, for a variety of reasons I cannot lend my support to the intrusion of TAA into the Western Australian network at the present time.

When the pure jet service—as distinct from the turbo-props—was introduced into this State, it was quite obvious that many of the airfields in Western Australia would be unsuitable for the operation of jet aircraft.

In fact I was told at one time by an engineer who was supervising the surfacing of the Carnarvon airstrip that pure jets would never land on the Carnarvon airstrip because it is quite unsuitable. I think we should get into its true perspective how we came to get pure jets into Western Australia. The step was not taken unwisely; it was taken only after a tremendous amount of research had been carried out into the suitability of aircraft and their ability to operate and land on strips available in Western Australia.

I would like to quote from a publication entitled *Airline Policy and the Public Interest in Western Australia* by MMA. In Part 3 of that publication we find the heading, "Why the F.28 was selected—the total service concept", after which the following appears—

> In 1968 the future of air services in Western Australia was at the crossroads. The Western Australian Government and M.M.A. were greatly concerned to ensure that services would expand to meet the requirements of the rapidly developing mining centres.

That is when the decision was made and we started to get pure jets to operate the air network in Western Australia. A later paragraph in Part 3 states—

> Before making a decision, M.M.A. also had numerous technical discussions with D.C.A. which made it clear in quite positive terms that the DC9 would not be licensed for most of the aerodromes in Western Australia in the foreseeable future without major expenditure in improving the length, width and strength of existing runways.
>
> Subsequently the matter was discussed with the then Prime Minister and the Minister for Civil Aviation and it was made abundantly clear that unnecessary expenditure to increase pavement length, width and strength would not be considered for pure jet aircraft such as the BAC111 or the DC9 if less demanding aircraft were available.
>
> A summary of the technical considerations involved is set out in the next section. To give Western Australia a total jet service many years before this could otherwise happen, M.M.A., having regard to these technical considerations and the views of the Commonwealth Government, selected the F.28 aircraft involving an investment in excess of $20 million.

That is how we came to get the F.28 into Western Australia. In the circumstances the aircraft has proved quite satisfactory in its operations.

I turn now to the situation of TAA which is contained in its publication entitled *TAA-Western Australian Air Transport—TAA's Entry into the Perth-Darwin Route.* On page 8 of that publication we find the following—

> The current airline growth pattern throughout Australia is particularly encouraging and this, together with planned and suggested northern developments, supports this belief. It has been suggested that the lack of airports will preclude DC9's from much of the network.
>
> We take a more positive view and submit that the prospect of DC9 entry will bring to Western Australia a more progressive programme of aerodrome developement than would be achieved if nothing larger than the F28 was used on Western Australian air routes.

That would be so if we were going to use DC9 aircraft. We would have to upgrade the airstrip, because very serious consideration has had to be given by MMA as to the type of aircraft it should purchase. It seemed obvious to MMA that it could not find anything more suitable than the F28. A further paragraph that interests me is also to be found on page 8, and it states—

> Already DCA has programmed construction of a 6,000 ft. runway at Carnarvon suitable for DC9 aircraft and with their forward planning policies other airports will be upgraded, in time, to allow for the full potential of the DC9 to be enjoyed.

To the best of my knowledge there is no intention in the foreseeable future of D.C.A. upgrading the Carnarvon airport to take DC9 aircraft. I now refer to a passage in the MMA submission on page 12 under the heading, "Cost of adapting aerodromes and facilities to DC9 aircraft". I quote—

> We share T.A.A.'s desire to see the aerodromes and facilities in Western Australia developed as rapidly as possible, but having regard to the Commonwealth's total commitments there is a need for realism. T.A.A. states (p. 8) that "already D.C.A. has programmed construction of a 6000 feet runway at Carnarvon suitable for DC9 aircraft and with their forward planning policies other airports will be upgraded, in time, to allow for the full potential of the DC9 to be enjoyed."
>
> What T.A.A. fails to disclose is that in November 1971 both airlines received advice from D.C.A. that the extension of Carnarvon to provide a new 6000 feet runway was scheduled for eight years hence with the notation that it would possibly involve a new

aerodrome site to avoid a serious noise problem with the existing site and to permit town expansion, and that in September 1972 this was substantially reaffirmed with Carnarvon being the last in order of priority of a list of 32 major projects.

I fail to see how D.C.A. already has 6000 feet of runway programmed at Carnarvon. The statement I have read does not seem to agree with the answers I have been given. I refer now to the operation of DC9 aircraft in Western Australia. On page 13 of TAA's submission we find a paragraph which reads—

> The DC9 is a much more economic aircraft than the F28, and it is better suited to longer haul operations in Western Australia. Although the payload of the DC9 would be limited in operations in Western Australia at the present stage of airport development it still offers much superior performance to the F28.

That is a statement of fact because the DC9 is a much larger aircraft and it must have a better payload than an F28. But when we get back to the submission from MMA when planning for the F28 to be the aircraft for the jet service in Western Australia, it was found that most of the airstrips had an insufficient width for the operation of aircraft other than F28s. DC9 aircraft or anything over the size of an F28 require a strip width of 150 feet because of the reverse thrust which most jets use for their braking. Under the heading, "DCA Approval" on page 15 of TAA's submission we find the following—

> DCA approval for DC9's to operate in Western Australia revolves around three aspects
>
> Pavement strength
> Runway width
> Controlled Airspace
>
> Experience in Australia and overseas has enabled TAA to present a strong case for a favourable decision in regard to its application for DC9 operation using existing facilities.
>
> Pilot operational experience of the DC9 in TAA supports the opinion that there would be no operational objection to using the DC9 on 100 foot wide airstrips and in uncontrolled airspace similar to the F28 and that it would in no way lower the current safety standards.

This does not seem to be in line with modern D.C.A. thinking. I will quote a few lines from MMA's submission on page 11 which reads as follows—

> It is well known that in many respects Australian safety standards are higher than those overseas and the fact that other administrations permitted the DC9 aircraft to operate on 100 feet strips was well known to D.C.A. when it introduced its original prohibition.

So D.C.A. is not satisfied with the width of 100 feet for the operation of DC9 aircraft in Western Australia. Accordingly when the company has committed itself to the purchase of a fleet of F28 aircraft to inaugurate the jet service in Western Australia, it would seem ironical that TAA should be given permission to operate DC9 aircraft and to operate them only in the centres where the biggest volume of traffic is generated. This would mean that M.M.A. would have to match TAA if it were introducing DC9 aircraft. On page 10 of MMA's submission we find the following—

> Finally, before the F.28 was introduced and granted By-law admission, the Commonwealth Government advised the British Board of Trade that there was no suitably equivalent and reasonably available British aircraft for Western Australian routes. This effectively excluded from further consideration the BAC111 and the even more demanding DC9.
>
> For this reason alone, M.M.A. is fully justified in assuming that intrusion with DC9 aircraft would not be permitted. Suffice to say that if DC9 aircraft are authorized to land at certain key aerodromes, M.M.A. would have to match these aircraft as quickly as possible and that there would be a total disruption of jet services to all other ports. It is unthinkable that responsible authorities would permit this to occur.

That is the point I raised. Instead of having a rationalised jet service we would have three or four airports suitable for the operation of DC9 aircraft—because these would be used by both companies—and we would need airstrips suitable for the operation of MMA's F28 aircraft.

I have heard it suggested that TAA is preparing to operate on strips other than those suitable for DC9 aircraft. It has said that it will take over any service that becomes redundant as a result of its operations. I have seen DC3s, F27s and F28s operate at Carnarvon, but I would not like to see any service operate at Carnarvon other than the one we have enjoyed. The service is already operating on the Geraldton-Learmonth section but does not attract a great deal of traffic. On certain days the aircraft sits at the Carnarvon airport from 11.30 a.m. to 3.30 p.m. and, of course, while it is sitting on the ground it is not earning money.

The Hon. D. K. Dans: If it sits on the ground for five minutes it is not earning money.

The Hon. G. W. BERRY: That is right. Machines must be kept moving, otherwise they become an expensive proposition.

It is for these reasons that I cannot accept the proposition of TAA coming in and operating in the network at the present time. I do not dispute the fact

that TAA will be qualified to do so at some future date, and I hope the time will come when it is able to operate in this network and meet the conditions of private competition throughout the network. At the moment competition is not being provided in this network. We would be allowing a company to come in and syphon the cream off the present setup.

I would like to sound a note of warning to the air pilots who operate on the MMA service, because when they go out of the State they do not carry their seniority into the ATI network.

I feel, therefore, that ATI should make some arrangements whereby these people can transfer their seniority throughout the network, and this would help when we have another airline operating in this State. With those few words I oppose the Bill.

Debate adjourned, on motion by The Hon. R. T. Leeson.

CLOTHES AND FABRICS (LABELLING) BILL

Receipt and First Reading

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

QUESTIONS (5): ON NOTICE

1. LAND

Erosion: Gascoyne Area

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

(1) Now that the Minister for Lands, and Agriculture, has made a decision regarding the implementation of the report concerning erosion in the catchment area of the Gascoyne river, will he table the report?

(2) If not, why not?

The Hon. J. DOLAN replied:

(1) and (2) The report is currently being printed, and a copy will be tabled as soon as available. The Minister informed Parliament in similar terms in answer to a question on the 31st October last.

2. TRAFFIC

Drivers' Licenses: Suspension

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

With reference to the article in the *Daily News* dated the 21st November, 1973, wherein the Director of the Department of Motor Vehicles stated that 12 of Western Australia's most persistent traffic offenders have had their licenses taken away—

(1) (a) Have those who have lost their licenses been driving the vehicles at the time the offence was committed; or

(b) do they merely own the vehicles?

(2) Has a Mount Barker transport operator, owning five trucks, lost his license due to minor offences relating to overloading of his trucks?

(3) Was he at any time driving one of these vehicles when the offence was committed?

The Hon. J. DOLAN replied:

(1) (a) Yes.

(b) Answered by (a).

(2) Yes.

(3) No.

3. RAILWAYS

Pensioners' Concessions

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

(1) Does the concession on rail fares to the Eastern States apply to all persons in receipt of a social security pension?

(2) If not, what classes of pensions qualify?

(3) What evidence has to be produced to the Railways Department in order to obtain the concession?

The Hon. J. DOLAN replied:

(1) No.

(2) Persons in receipt of any class of social security pension may qualify, but subject to the application of a means test which determines eligibility for "fringe" benefits such as travel concessions.

(3) The production, at the time of arranging any travel, of a free travel and concession fare certificate issued by the Department of Social Security, is the only requirement.

4. WATER SUPPLIES

Pingrup

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

(1) When was the new Pingrup town dam completed?

(2) What rainfall has fallen since its completion?

(3) What—

(a) depth;

(b) quantity of water;

is now in this dam?

(4) (a) From what source do the people of Pingrup currently cart water;

(b) what is the length of a return trip to this dam?

(5) (a) When is it expected that the new dam will be used;

(b) for how long would the water in the new dam serve the town?

(6) What is the programming for—

(a) a sealed catchment;

(b) piping water to the town;

(c) reticulating water within the town?

(7) What provisions are being made for a water supply for the proposed new State Housing Commission houses?

The Hon. J. DOLAN replied:

(1) December 1972.

(2) 11 (eleven) inches.

(3) (a) 3.55 metres (11 feet 8 inches).

(b) 8,000 cubic metres (1,770,000 gallons).

(4) (a) South East Pingrup key dam built four years ago.

(b) 34 miles.

Note: Water in this tank is clear and is preferred to that in closer dams. The water in the new town dam, discoloured by recent rains, will be clarified next week and be available for carting to the town. The length of a round trip will be five miles.

(5) (a) The new dam is available as a standpipe supply.

(b) 100 days as a reticulated supply.

(6) (a) Nine acres of sealed catchment was constructed in 1972.

(b) A pipeline has been constructed to a standpipe half a mile from the dam. No further proposals are planned for the present.

(c) Reticulation of the town is not planned at this stage.

(7) No departmental plans—it is assumed that the State Housing Commission will provide rainwater tanks.

5. HOUSING

Tenancies: Transfers

The Hon. G. W. Berry for the Hon. CLIVE GRIFFITHS, to the Leader of the House:

(1) Does the answer to question 4 on Wednesday, the 21st November, 1973, imply that—

(a) it is no longer necessary for a person to occupy a State Housing Commission rental home for a period of two years before becoming eligible for transfer;

(b) it is the Government's intention not to honour the existing practice whereby after two years' occupancy a tenant was automatically eligible for transfer?

(2) What is the situation regarding tenants who have already completed the two-year occupancy requirement, and who have applied for a transfer based on the arrangement which existed at the commencement of their tenancy?

The Hon. J. DOLAN replied:

(1) (a) Yes. Where relevant circumstances exist transfer will be granted before two years, as has always been the case.

(b) There never was any automatic transfer after two years. Applicants for transfer who had no special circumstances were dealt with on a turn-reached-basis as suitable accommodation became available, and this will continue.

(2) Application for transfer already lodged and accepted will be dealt with according to (1), with consideration of their particular circumstances.

IRON ORE (CLEVELAND-CLIFFS) AGREEMENT ACT AMENDMENT BILL

Second Reading

Debate resumed from the 20th November.

THE HON. A. F. GRIFFITH (North Metropolitan—Leader of the Opposition) [5.21 p.m.]: The schedule contained in this Bill is an agreement to vary the Iron Ore (Cleveland-Cliffs) Agreement Act, 1964-1970, and on this occasion I note that the agreement is one that is unsigned. It occurs to me that the Government's approach as to whether or not an agreement shall be signed before being brought to Parliament varies from time to time, because some are signed and some are unsigned.

However, the alterations set out in this amending agreement have three main objectives. Firstly, they seek to provide new development conditions in the agreement to allow for increased output of iron ore pellets from the Robe River project; secondly, to make provision for further temporary reserves, and, thirdly, according to the Minister, to bring the original agreement into line with changed and renegotiated circumstances in the light of recent developments in iron ore projects.

The variation of the agreement provides for an investigation or feasibility study to establish a second pellet plant—on this

occasion with a capacity of 5 000 000 tonnes annually of iron ore pellets at a capital cost of the order of something like $100,000,000. With this in mind the company has been granted further temporary reserve areas because of the fundamental necessity to provide the company with sufficient reserves if the operations of the company are to continue to have a long life.

When established, the pellet plant will, I am sure, bring benefit to the State in the form of further industry and in the form of more employment and, of course, with consequential benefits of increased population which, in turn, will bring about demand in different areas. This, I am sure, we all welcome.

The agreement also provides for a slightly revised royalty escalation provision, revised conditions pertaining to water rights, and some new conditions relating to environmental protection. Those are the main objectives of the schedule to the Bill.

I suppose I could continue for a considerable time relating to the House the history of the establishment of Cleveland-Cliffs, going back to the days when the first temporary reserves were granted to Mr. Garrick Agnew. I could relate the trials and tribulations that energetic young man went through in an endeavour to attract people with the financial capacity and know-how to get this project off the ground. However I do not intend to do that because it may be appreciated if I do not weary the House in that respect.

Nevertheless I feel prompted to say that the map which is displayed on the wall behind me and which was brought into this Chamber by Mr. Withers for the purpose of debating another Bill—the adjournment of which has just been secured by an honourable member a few moments ago—causes me to say that those principal towns ranging from Geraldton north to Wyndham and Kununurra, although they were well-established names on the map until the last decade had seen very little development in the surrounding areas in the north.

However, during the last 10 years we have indeed seen industry move into those areas, involving, in the main, mining operations. Despite very many difficulties, the success of those mining operations has been the basis of co-operation between the Government and private enterprise. We still have to find a better way to develop the natural resources of a country other than the way we, in Western Australia, have employed over recent years. In fact, I suppose, in respect of this particular Bill, the policy the present Government is employing in relation to the expansion of the Cleveland-Cliffs iron ore project is the same as that employed by the previous Government.

I can well remember Mr. Dohnal—being one of the principal people involved in the project—taking ore samples with him when he returned to his home country—the United States of America—and, after making considerable research into this material, returning to Perth and showing it to me. He said, "There you are; there is a sample of the pellets that Cleveland-Cliffs have been able to produce from this low-grade limonitic ore as a result of the work done in the Robe River area.

As you are probably aware, Mr. President, this is a joint operation and, without doubt, I am sure it has only been able to continue due to the energy and the work put into project by the people involved. Many of the projects in the north, of course, have not progressed smoothly. Unfortunately they have been hampered by a great deal of industrial upset. For one reason or another I will not deal with the merits or demerits of that situation except to say that industrial strife—if I can use that word—has, to a considerable extent, hampered the work of some of these projects to a point where the financial return, and, in turn, the financial security, of some of the companies involved are in jeopardy if some improvement in these areas and in other areas does not eventuate within the near months to come.

I am also prompted to say that the debate that took place this afternoon and early this morning on whether or not TAA shall operate in Western Australia probably would not have occurred had it not been for the huge development that has taken place in the north in the last 10 years which has brought about the happy relationships between the Government and private enterprise.

The Government must play its part in looking after the affairs of the State and giving the necessary encouragement to those companies which know how to negotiate and perform in a highly competitive industrial world and which have the risk capital to put into this kind of industry. Believe me, it is risk capital in the true sense of the word. I like to know that Governments give encouragement to this kind of industry. I certainly do not like Governments to impose restrictions which make development of this nature difficult to achieve.

Without saying any more about the agreement, I am prepared to support it. As I have said, the company concerned has shown the way in difficult field of development. The Robe River iron ore, although of low quality in comparison with some of the hematite ore in the north, has fortunately been proved to be ore of a nature which can be treated. Once it is heated its iron content rises considerably when the moisture is driven off by heat, giving it a better Fe content than before.

The other great aspect of our Robe River ore is its very low phosphorous content. Members are aware of the fact

that for successful furnace operation iron ore, whether in a raw state or in the process of being produced into pellets, must have a low sulphur content if it is to be suitable to feed into steel furnaces.

With those few remarks I support the Bill and I wish the company the very best success for the future. I hope this Government will give it the encouragement it needs, that the Commonwealth Government will not continue to hamper the operations of the company to the extent it seems hell-bent on doing, and that Cleveland Cliffs will succeed in establishing a second plant in Western Australia with all the resultant benefits which will accrue to the people of the country.

THE HON. J. DOLAN (South-East Metropolitan—Leader of the House) [5.33 p.m.]: I will not delay the House. I thank the Leader of the Opposition for his support of the Bill and also for the comments he made regarding the co-operation between private enterprise and the Government. The desire of the Government is to get these projects going and we have pursued a policy of giving every possible encouragement.

With those remarks I commend the Bill to the House.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

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

House adjourned at 5.36 p.m.

Legislative Assembly

Thursday, the 22nd November, 1973

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

STATE FORESTS

Revocation of Dedication: Motion

MR. H. D. EVANS (Warren—Minister for Forests) [11.03 a.m.]: I move—

> That the proposal for the partial revocation of State Forests Nos. 23, 25, 28, 30, 37, 41, 51 and 53 laid on the Table of the Legislative Assembly by Command of His Excellency the Governor on 21st November, 1973, be carried out.

Question put and passed.

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

ALUMINA REFINERY (WORSLEY) AGREEMENT BILL

Council's Amendment

Amendment made by the Council now considered.

In Committee

The Chairman of Committees (Mr. Bateman) in the Chair; Mr. J. T. Tonkin (Premier) in charge of the Bill.

The amendment made by the Council was as follows—

The Schedule.

Page 5, lines 27 to 41—Delete the definition "Crown land" and substitute the following—

"Crown land" means all land of the Crown including—

(a) all land dedicated as a State forest under the Forests Act, 1918 other than land reserved as State Forest No. 51 as it existed on the 14th May, 1973;

(b) all land reserved for the purpose of water conservation;

(c) land reserved under the Land Act and numbered 15410, 18534, 19738, 19739, 19740, 19741, 19958, 20063, 20182, 21287, 24791, 26363, 26666, 30394 and 31890; and

(d) land reserved under the Forests Act as Timber Reserves and numbered 66/25, 69/25, 131/25; 144/25, 145/25, 146/25, 147/25, 148/25, 151/25, 160/25, 171/25, 172/25 and 189/25,

but excluding—

(e) land granted or agreed to be granted in fee simple;

(f) land held or occupied under the Crown by lease or licence for any purpose other than pastoral or timber purposes; and

(g) all other land reserved under the Land Act or the Forests Act unless the Minister, after consultation with the Environmental Protection Authority, established under the Environmental Protection Act, 1971, otherwise determines;.

Mr. J. T. TONKIN: Members will recall it was foreshadowed that it would be necessary to make an amendment to the schedule to the Bill in connection with the