gas are concerned; and honourable members do not need me to tell them what this means to Western Australia and to Australia. We should guard against our gas and oil being taken away. We should guard against our oil being refined elsewhere and against our being in the position of paying the same price for it as is being paid in New Zealand or the Eastern States.

I think that is something the Legislature will have to look to in the future. One could say that we are being a little too optimistic, but we can only hope for the best. I certainly wish the company concerned, which has battled so hard, and has spent such a large sum of money—many millions of pounds—good luck in the drilling for oil and gas.

There are many other matters which are of great interest to the people of the district of Geraldton, which is the headquarters of the area I mentioned when I quoted figures from the Bureau of Census and Statistics. I cannot see how in the future anything but success can come to an area such as that. There is no doubt it will have its ups and downs because of seasonal conditions. But with the improvements that are being made every year in the production of superphosphate, and with more scientific farming, and the proper conservation of water—we will need more than bore water, and honourable members will hear some more from me on that score at a later stage—the district must go ahead.

We in that area should have the cheapest electricity, certainly in Western Australia if not in Australia, and that should be a great help in getting the industries that are so urgently needed to build up the population of this State. We hear a lot about decentralisation and immigration, but if we have industries and provide the necessaries of life we will find that we will not have to worry unduly about getting the right type of person to come to this country, and to stay here.

This year we passed legislation dealing with iron ore. Two areas in the northern part of the State, in the district of the honourable member for Pilbara—Mount Newman and Mount Goldsworthy—were referred to. Also, the pelletising of iron ore has been mentioned and in future years it is quite possible that on the shores of the Indian Ocean at Champion Bay, we will have a processing plant pelletising lower-grade iron ore which has been obtained from various parts of the Murchison. That is the sort of thing we should work for, although I think our main aim should be to see that the money provided for in these Estimates is spent in the right way.

We should do everything possible to see that the growing of food for home consumption and export is kept right up to the mark; because I think that is our primary function, particularly in the area which is represented by the Premier, the Minister for Education, and myself, and which is serviced by the port of Geraldton.

Progress

Progress reported and leave given to sit again, on motion by Mr. Ross Hutchinson (Chief Secretary).

House adjourned at 11.40 p.m.

Legislative Council

Thursday, the 12th November, 1964

CONTENTS

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

QUESTION ON NOTICE

GOLDFIELDS HISTORY

Compilation by Mr. Spencer Compton

The Hon. G. BENNETTS asked the Minister for Mines:

Will the Minister inform the House what decision was made regarding my suggestion last year that the history of the goldmining industry be written by the President of the Goldfields Historical Society, Mr. Spencer Compton?

The Hon. A. F. GRIFFITH replied:

Earlier this year I had a discussion with Mr. Spencer Compton concerning possible assistance being rendered by him in a compilation of the history of the goldmining industry. Pressure of work has prevented my following the matter up, but I do intend to take some definite steps towards making arrangements to have the history of the goldfields prepared.

LEAVE OF ABSENCE

On motion by The Hon. F. J. S. Wise (Leader of the Opposition), leave of absence for the remainder of the current session granted to The Hon. J. J. Garrigan on the ground of ill-health.

WHEAT PRODUCTS (PRICES FIXATION) ACT AMENDMENT BILL

Second Reading

THE HON. L. A. LOGAN (Midland—Minister for Local Government) [2.35 p.m.]: I move—

That the Bill be now read a second time.

The Minister for Labour when introducing this Bill in another place said that the Wheat Products (Prices Fixation) Act, 1938-1939, came into operation on the 5th December, 1938, for the purpose of controlling the prices of wheat products, including bread. This Act and similar Acts in each State followed Commonwealth legislation which was designed to assist wheatgrowers when the price of wheat in the markets of the world was at an abnormally low level. Commonwealth legislation provided for a tax on flour consumed in Australia to bring the home consumption price of wheat used for manufacture into flour to 5s. 2d. per bushel.

The Wheat Products (Prices Fixation) Act was brought in to protect consumers against a rise in price beyond reasonable level of wheat products, including bread, as a result of the tax. On the 22nd December, 1947, the flour tax was reduced to nil and since that date no further tax has been levied. Although the circumstances which led to the introduction of the Act ceased to exist, it continued to be used for the fixation of maximum and minimum prices of bread.

The Act provided for the appointment of a wheat products prices committee which could recommend that the Governor by proclamation fix the minimum and maximum prices at which flour and wheat products be sold in the State or specified part of the State. Section 15 (2) (a) and (b) of the Act, however, fixed a minimum price of £11 per ton and a maximum price of £13 10s. per ton for flour. Increases in the price of wheat for home consumption led to flour rising to £16 9s. 9d. per ton in June, 1948, and at the present time, the price is £39 5s. per ton. It was thus impossible to fix the price of flour under the Act after 1948. In August, 1959, in view of the fact that bread was the only food product which still had its price fixed, and then only the standard loaf, it was felt that no good purpose would be served by continuing to use the Act for fixing the price of bread.

Investigations showed that there was keen competition in the baking industry; and, in addition, the Bread Manufacturers' Industrial Union of Employers gave an undertaking to continue to fix the price of bread according to the accounting procedure used to guide the wheat products (prices fixation) committee. This practice, with some modifications due to the introduction of a five-day working week in 1962, has been observed.

The prices of bread in this State compare favourably with those in other parts of the Commonwealth. The bread manufacturers also gave an undertaking that they would inform the Government if, at any time, they proposed to make an increase in the price of bread, and they have honoured this undertaking. It is well known that this Government was, at that time, and still is, opposed to the principle of price fixing. The term of appointment of the committee expired on the 8th May, 1959, and the Government decided not to make a further appointment. It has been said that by not appointing a committee the Government has failed to give effect to the law.

It is clear the Act permits, but does not require, the issue of a proclamation. The Act does require that there shall be a committee but, as the Government had no intention of issuing a proclamation fixing the price of bread, it would have been farcical to appoint a committee.

However, to put the matter beyond doubt, this Bill has been introduced to make the appointment of a committee, as well as the issue of a proclamation, permissive. The Act will remain on the

Statute book. It will represent a deterrent to any unreasonable price increase because the means will be readily available for the Government to institute an inquiry by a properly constituted committee if, at any time, this is deemed desirable.

The purpose of this amendment is to allow, in the first place, of the appointment of a committee as and when required to investigate the price of wheat products, and also to impart flexibility to the section, which, at present, limits the price of flour to £13 10s. per ton. When a particular price or figure is written into an Act, it cannot be changed to meet conditions which differ from those which prevailed at the time the figure or price was fixed, except by an amendment.

By providing for the price to be fixed by regulation and the appointment of a committee as and when it is considered necessary or desirable, it will be possible for the machinery of the Wheat Products (Prices Fixation) Act to be reimplemented in the interests of the consumer of wheat products, or the producer of wheat, without delay or complication at any time the government of the day may so desire.

Debate adjourned until Wednesday, the 18th November, on motion by The Hon. F. J. S. Wise (Leader of the Opposition).

AGRICULTURAL PRODUCTS ACT AMENDMENT BILL (No. 2)

Second Reading

THE HON. L. A. LOGAN (Midland—Minister for Local Government) [2.40 p.m.]: I move—

That the Bill be now read a second time.

It appears that some difficulties have arisen in the administration of the provisions of the Agricultural Products Act and regulations as relating to apples. This Bill was introduced in another place to overcome these problems. The Act prohibits the sale of apples of a prescribed grade, but we are advised that the Act provides no authority for restricting sizes within a grade.

In 1962, the Royal Commission into the apple industry made some recommendations, and the Western Australian Fruit Growers' Association requested legislation to be introduced to set up the Apple Sales Advisory Committee to control the sales of apples. This was done and the Bill passed both Houses.

It was intended, however, by the association and the Royal Commissioner that apple sales restrictions should apply to sizes of apples as well as grades. In the drafting of the legislation it was thought that the powers pertaining to grades covered also the various size categories of apples.

Regulations were prepared on that basis and have been administered. Numerous breaches relating to the selling of undersize apples have been reported. When legal action was taken in the matter, the omission in the Act became apparent to the Crown Law Department.

The amendment in this Bill will extend the activities of the Apple Sales Advisory Committee to cover grades and sizes of varieties of apples in conformity with the original intention of the parties concerned. Its passing into an Act will enable the apple sales restrictions to have a more worth-while effect on the stability of the industry.

Debate adjourned, on motion by The Hon. N. E. Baxter.

REAL PROPERTY (FOREIGN GOVERNMENTS) ACT AMENDMENT BILL

Second Reading

Debate resumed, from the 4th November, on the following motion by The Hon. L. A. Logan (Minister for Local Government):—

That the Bill be now read a second time.

THE HON. F. J. S. WISE (North—Leader of the Opposition) [2.44 p.m.]: The Real Property (Foreign Governments) Act of 1951 was introduced for the purposes of giving power to foreign governments to hold land in this State, limited to five acres in extent. Arrangements are made in the Act, and the authority is provided, to transfer land through special documents which are acceptable for registration by the Commissioner of Titles. It was designed that no specific use was to be stated as a condition of that Act.

It is a very interesting Act. It was introduced when the present Leader of this House was a member of the Legislative Assembly, and on the initial introduction it had quite a difficult reception. This Act, when it was introduced in a Bill in the Assembly in 1951, contained no restrictive provisions at all. There was no acreage limitation. There was no explanation given in that House as to why the Bill was necessary, and it was not until it reached this House, after being amended to contain a five-acre limitation, that the complete reason for the Bill was made evident.

The interesting aspect is that this is an Act which was once a lapsed Bill, and which had to be restored to the notice paper by motion, in accordance with the procedure dealing with lapsed Bills. It lapsed following the prorogation of Parliament from one session to the next.

It is very interesting to note the comments of the Minister (the late honourable Mr. Simpson) when the Bill was introduced here in October, 1951. He stated—

> The introduction of the Bill was brought about by a request dated the 3rd May, 1951, from the American Vice-Consul in this State, that the United States Government be permitted to acquire a title to property in Bellevue Terrace, West Perth, that it had purchased some five years ago as a residence for the Consul. As the Western Australian Transfer of Land Act does not permit of land being registered under the title of a government of a foreign nation, the property is held on its behalf in the name of an official of the Commonwealth Government.

The honourable Mr. Simpson went on to explain that that Bill had been amended to restrict the area permissible for dealing, without further parliamentary sanction, to five acres. He went on to say—

> The acquisition by a foreign government of premises for the use of a counsul renders it liable to the payment of the appropriate rates and taxes, and the observance of health by-laws, etc.

He went on to say that it was only in the diplomatic realm where exemptions were provided in matters such as this.

The Bill before us provides for 100 acres to be made available in lieu of five acres as at present prescribed in the Act. That is the aggregate of land to be leased to the United States Government within the townsite of Exmouth. There is nothing in the Bill, because it covers only one page, to suggest that the use of the land is to be controlled by a separate agreement, or that the land is needed for a townsite. Those facts were mentioned by the Minister in his introduction of the Bill.

As distinct from this land, the land for the low frequency station is the subject of a project agreement between the Commonwealth Government and the Government of the United States of America. An area of 18,000 acres was acquired by the Commonwealth for this purpose and made available at a peppercorn rental. The pastoralists from whom the 18,000 acres were resumed have been compensated. The plan appears to be this: While single men will have accommodation and places of residence provided within the project area, married men are to be accommodated outside the area acquired, and known as the station area.

The Minister further stated that an agreement will be drawn up by the Crown Law Department for the Government to lease, under section 117 of the Land Act, an area for a town for the duration of the project. The project agreement is for 25 years, or more, terminable on 180 days' notice from either side. It must not be presumed when one reads the agreement that it is for 25 years and no more, because that is not the situation.

The agreement to be made following this Bill will not grant a transfer of sovereignty to the United States of America; and specific purposes will be shown, we are given to understand, in a schedule to an agreement to be drawn up by the Crown Law Department. All we know as to the reason for the passage of this Bill is that it will give to the United States Government the right of acquisition for its use of 100 acres under this Act, which was specially introduced for another purpose; namely, that of dealing with consular representatives in 1951.

We know that the American naval interests will call for contracts for 130 houses to be completed within 12 months, and when the project agreement expires the houses and fixed property may pass back to the State. The houses will be, in this case, on non-ratable land held at a peppercorn rental, and the United States is to make some sort of contribution to the community in lieu of rates and other obligations.

The passing of this Bill means very much more than simply extending the right to a foreign power to hold more than five acres and up to 100 acres. It brings to the State considerable obligations in the construction of all the amenities such as water supplies, electricity, hospitals, a police station, roads, and other kindred matters. We know that in this commitment of State loan money there has been an understanding between the State Government and the Commonwealth. This has not been announced at any stage and one had to search for the origin of this arrangement. Fortunately honourable members will find it mentioned in the Auditor-General's report of this year. No mention was made previously, to my knowledge, of this arrangement with the Commonwealth to provide £1,130,000 between the Commonwealth and the State for the purpose of State construction of amenities and normal town needs. However, in the Auditor-General's report of this year I found the following:—

> To assist the State financially with the establishment of a township at Exmouth for Australian civilians employed on the United States Navy V.L.F. Radio Project, the Commonwealth, in May, 1964, made a grant of £565,000 available. The grant represents one-half of the estimated total cost of £1,130,000, and is payable over the period ending 31st December, 1966.

It is obvious from the text of the Auditor-General's report that the arrangement with the Commonwealth is that it will assist the State financially with the establishment of a townsite for Australian civilians employed by the United States Navy. The report explains what expenditure has been made up to date. I think it would have been much better and would have engendered a greater trust and understanding of the whole thing if it had been done differently and some measure of mutual trust had been shown in this very important matter.

The Hon. L. A. Logan: In what way do you mean?

The Hon. F. J. S. WISE: I will tell the Minister in a moment. It was obvious, and we have it on the word of the Premier, that the Americans would be prepared to provide all the accommodation and facilities to run the station. They did not ask the State Government to come in. They laid it down in clear terms that "We are prepared to build the accommodation. We are prepared to provide the services. We are prepared to provide the medical and educational services in this faraway and isolated place. We are prepared to construct the town."

In this arrangement with the Commonwealth about which, until the Auditor-General's report was tabled, no member of Parliament to my knowledge knew there was an arrangement for the State to spend from loan moneys the requisite amount to develop this town. So far as I know, with the exception of the item of £77,997, which appears in this year's Loan Estimates, there has been no statement by the Government on this matter. However, it is a fact that State loan moneys will be spent for a town in the Exmouth Gulf region.

In connection with the North West Cape project, both in the Commonwealth and the State spheres, strategy and planning have been on a bad basis and of an unsatisfactory kind so far as the public is concerned. I want to make it very clear that I am one of many thousands who have such a deep-rooted conviction of the importance of the democratic way of life to the future well-being of the world, that if the coming of this base to Australia is vital in the defence of the principles of our way of life, it should be established. However, it should be established on the basis that the Government and the Opposition know what it is all about.

The station at North West Cape is for communications. It is of great military and defence importance; and this is where politics have been played and distortions created where neither politics nor distortions belong. I feel very keenly that what has transpired in recent weeks discloses what degree of distortions were made for political purposes.

In reply to the query of the Minister a few moments ago, I think this is a case where confidence in each other should have been shown by a conference with the opposing political forces. How easy would it have been then for misrepresentation and distortion to have fallen away. How much more preferable for Parliament—both sides in both Houses—to be told that this is a vital plan and a vital matter which leaders—our leader in another place, and leaders in the Federal Parliament—could say was worthy of complete support. There is no need for the world to be told of the detail, but there should not be room for any political sparring or playing about in matters such as this. I think it has been extended in this State to the point that there has been an unsatisfactory introduction of elements that should not occur.

One can find nothing from the single page Bill, and it is not until one undertakes an examination that one finds the background which I have related. I submit that the first public knowledge of matters of this kind should not be in the Auditor-General's report. The agreement between the Commonwealth and the State, which has now been disclosed, should have been no surprise to Parliament. That is one of the very important angles I have presented in this matter. We know now the Americans said that they would provide all the facilities and all the accommodation to run the station. We know now they did not ask the State to come in. They said, "We are prepared to build the town with all its amenities and requisites"; and the State Government agreed to come in in April last.

Did anyone see a headline, a note, or a paragraph about the fact that £1,130,000 was to be the expenditure from loan funds, and that the Commonwealth required certain certificates that the money had been spent? From another point of view, I would say that if this region had a potential for further development sufficient to maintain the townsite after the special project need had been satisfied, we could not cavil at all about it. We would not be able to complain about any government preparing to install, plan, and equip a town in such an area. But I presume most honourable members know the nature of the country around Exmouth Gulf. Many honourable members have been there.

It is an area that has a job to keep a sheep "a sheep"—to keep it alive. It is difficult country with a low carrying capacity. It has produced some good wool, and still does. It is right in the path of cyclones, and the cost of the structures in this town will be extraordinary as compared with costs in the City of Perth. At the end of the life of the station these structures will not be removable, because they will be built to withstand cyclones and the

rigors of the weather of that area. There will not be a secondary or tertiary requirement for it as a town.

I present those aspects as being very important in a State sense in the use of loan money in this region. I repeat: If it had a prospect of continuous use—and one of its prospects is that oil may still be discovered at North West Cape—

The Hon. L. A. Logan: We hope.

The Hon. F. J. S. WISE: It may still be discovered. Many of us here have seen the tap turned on and the oil gush forth. I can see that some honourable members have seen it. It is still there and the tap could be turned on this afternoon and the oil would spurt from it as far from here to the outer corridor. So if the town has a prospect I think the State has every right to assist in its construction; but my point is that to spring such a matter on to the people and Parliament—a matter that was made controversial by distortion—is not a fair way to approach the subject.

I do not intend to object to the Bill, but I thought it was incumbent on me to draw attention to positive things in the prospect of a better relationship and a better understanding in the interests of the public. The sooner we can get back to the point where in national matters governments realise that representatives of Her Majesty's Opposition are not children but trustworthy people, the easier and simpler will such matters be understood, and the greater will be the lessening of the risk of their being misunderstood and distorted. I support the Bill.

THE HON. L. A. LOGAN (Midland—Minister for Local Government) [3.7 p.m.]: I do not quite understand the implications of what the honourable Mr. Wise said or to what he was referring. He has made some statements about lack of responsibility on the part of the Government towards the Leader of the Opposition. From my point of view, and having had some dealings with the area, there was no secret about what was going on in regard to the landowners and the area required for this particular purpose. There has been no secrecy about the development of the townsite, because it has been proclaimed. There has been no secrecy about the name of the place or anything else in that regard, because it has all been advertised in the *Government Gazette*. There was no secrecy on the part of the Government.

The Hon. F. J. S. Wise: That is correct, up to that point.

The Hon. L. A. LOGAN: It has nothing to do with me beyond that point because it was not under my control. I do not know whether statements have been made, but if they have not, I cannot be blamed. The amount which the Commonwealth originally agreed to pay to the State was not sufficient, and I think I can say that the State Government might not have gone on with the project had the Commonwealth Government not come to light with more money. Fortunately it did.

But let us get back to the statement that the Americans were prepared to meet the whole cost of the townsite. They were prepared to meet the whole cost within their own compound, but it would have been a purely American town. That was the situation: it would have been a purely American town. I objected to that, and I think that is why the Government objected. We were able to induce the Commonwealth to come to the party, because it would not have been right for a foreign country to have a townsite of its own on Western Australian soil.

The Hon. F. R. H. Lavery: You mean you induced the Commonwealth to take you to the party.

The Hon. L. A. LOGAN: It would have been a purely American town, and no Western Australian or Australian would have been in the townsite. Whatever the circumstances, we would have had to find the money from somewhere to meet the requirements of those from outside.

The Hon. F. J. S. Wise: That is not in accordance with the statement of the Premier that I have.

The Hon. L. A. LOGAN: I have not read what the Premier said. I was in the early negotiations in regard to this matter because I had to decide whether we would set up a separate local authority, whether a commissioner would be appointed, or how the situation would be worked. Therefore I think I know something about it.

The situation was that it would be an American town on Australian soil. I said we did not want this, because it would be wrong. So we set up a new local authority by excising land from the pastoralists. We also appointed a commissioner, and a position was advertised for the liaison officer to work between the Commonwealth, the State, and the American Navy.

None of this was kept secret. It has been public knowledge for a long time. I understand that certain members of Parliament were taken for a trip through the area last year to see what was going on. So I do not know where the secrecy comes in.

The Hon. F. J. S. Wise: You do not want to understand.

The Hon. L. A. LOGAN: I understand there was a trip to part of the north.

The Hon. F. J. S. Wise: It might interest you to know that it was in the districts of some honourable members.

The Hon. L. A. LOGAN: At least some honourable members took the opportunity to go on this trip. Surely in a development of such magnitude as this, and seeing that it has immediately become a tourist attraction, the State Government should ensure that somebody is there to take control. Had that not been done utter chaos would have resulted. I am sure the honourable Mr. Wise will agree with that. So it was decided that the best thing was to arrange with the American Navy, the Commonwealth Government, and the State Government to set up a joint townsite. On reflection I am sure honourable members will agree that this was the right course to follow.

During the negotiations the Americans said they wanted to lease this land so that they would have control of the area within the townsite. Because of the limitations of the Act it was found they could not lease more than five acres, and as only thirty-five acres were required, it was decided to amend the Act accordingly and allow some flexibility so far as the 100 acres were concerned. This is a small Bill.

The Hon. F. R. H. Lavery: Dynamite is done up in small parcels.

The Hon. L. A. LOGAN: Where is the dynamite in this?

The Hon. F. R. H. Lavery: It will come in the future.

The Hon. L. A. LOGAN: If we are to look to the future then all I can say is, "Thank God this measure is here." It is only for a specific purpose, so I do not know what all the fuss is about. There has been no secrecy on my part, or on the part of my department.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (The Hon. F. R. H. Lavery) in the Chair; The Hon. L. A. Logan (Minister for Local Government) in charge of the Bill.

Clause 1 put and passed.

Clause 2: Section 3 amended—

The Hon. F. J. S. WISE: There are none so blind as those who will not see. As I have stated there was every opportunity for the State Government, if it so wished, to have ensured that American money was spent on a town to house Australians and Americans. It is made clear in a statement by the Premier that it was the Australian Government and the Western Australian Government which prompted the idea of an integrated community of Americans and Australians. The Australians put forward the suggestion.

As a result of the approach the Americans were prepared to build houses outside the compound so that they could become part of the townsite. The Government at that point had arranged to construct the town with government funds. There was no bar from the other angle—for it to have been under the control of the American project area. Both Australians and Americans are working there; but mostly Australians are working there now. They are all Australians, except for those on the administrative side who are working and living on the project area. That is the situation.

Clause put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by The Hon. L. A. Logan (Minister for Local Government), and passed.

COMPANIES ACT AMENDMENT BILL

Report

Report of Committee adopted.

DEBT COLLECTORS LICENSING BILL

Recommittal

Bill recommitted, on motion by The Hon. A. F. Griffith (Minister for Justice), for the further consideration of clauses 13, 15, 20, and 21.

In Committee, etc.

The Chairman of Committees (The Hon. N. E. Baxter) in the Chair; The Hon. A. F. Griffith (Minister for Justice) in charge of the Bill.

Clause 13: Unlicensed persons not to recover fees, etc.—

The Hon. A. F. GRIFFITH: It will be remembered that last night I agreed to some amendments moved by the honourable Mr. Watson, and he agreed, in respect of certain other clauses in this Bill, that they be allowed to stand as printed in order that I should be given the opportunity on both counts to check to see whether the amendments were in order, and to ascertain some information in respect of other matters that were raised. I will now deal with these clauses that have been recommitted, and when the third reading is taken I will give one or two explanations.

In respect of clause 13, the honourable Mr. Watson moved an amendment which was accepted to add the words "either particular or general" after the word "appointment" in line 1 on page 10. The honourable Mr. Watson explained that

the service the debt collector was giving under this clause was, in fact, particular in the way it is expressed rather than general; so he qualified this by adding the words, "in particular or in general."

I am told by the Parliamentary Draftsman that that is the application of the clause as it stands; and if honourable members will have a look at the definition of "debt collector" on page 2 they will see that the services a debt collector will give may be in particular or in general, or in respect of one account or 101 accounts. I move an amendment—

Page 10, line 1—Delete the words "either particular or in general" inserted by a previous Committee.

Amendment put and passed.

The Hon. A. F. GRIFFITH: The Committee agreed to the deletion of the word "service" in line 2 and to the substitution of the words "debt collecting services." Once again I would refer honourable members to the interpretation of "debt collector," which relates to a service which is referred to as a debt collecting service. The service of the debt collector is continuous or otherwise according to the contract he has made. So it can be a single service, or one lasting a day or a week. I move an amendment—

Page 10, line 2—Delete the words "debt collection services" inserted by a previous Committee and reinsert the word "service."

Amendment put and passed.

The clause was further amended on motions by The Hon. A. F. Griffith, as follows:—

Page 10, line 4—Delete the words "debt collection services" inserted by a previous Committee and reinsert the word "service."

Page 10, line 12—Delete the words "debt collection services" inserted by a previous Committee and reinsert the word "service".

Clause, as further amended, put and passed.

Clause 15: Duty of debt collectors in respect of trust money—

The Hon. A. F. GRIFFITH: I do not want to alter this; I simply want to make sure that the explanation is the correct one. I am referring to the last four lines on page 11.

The Hon. A. L. Loton: You could give an explanation during the third reading.

The Hon. H. K. WATSON: I will precipitate matters by moving an amendment—

Page 11, lines 38 to 41—Delete all words from and including the word "which" down to and including the word "withdraw."

The Hon. A. F. GRIFFITH: I oppose the amendment. I hope the Committee will not agree to the deletion of the words. This is the trust money clause. This clause says that a debt collector shall put money in trust. He shall put it in a bank. He shall pay it out. He shall be permitted to do two things under subclause (b); namely, deduct his commission and take any moneys owing to the debt collector by the person on whose behalf the service or transaction was carried out. The subclause then says that he can, at the express direction of his client, do something else in the manner "expressly directed to withdraw."

Let us assume, as an example, that a debt collector had 10 accounts for one of his clients. He collects the debt in respect of only one of the accounts and does not collect any money in respect of the others. The money collected on the first account must be made available to his client unless—and I refer to the words in the last four lines of page 11—"by written direction signed and given to him by a person entitled to give the direction, expressly directed to withdraw." In other words, if he is expressly directed, he can keep the money in respect of the first client and employ it for reasons of recovery of the other accounts. For instance, a client may go overseas. He may say to a debt collector, "I have 10 debts or 100 debts owing to me. I am going to be away for a year. Under the Act you have to pay me every 45 days or, if I so desire, every 14 days, unless I expressly direct you to withdraw from this arrangement, whereupon you may carry on and collect the moneys in the manner I have directed." That is the situation.

The Hon. H. K. WATSON: As I understood the Minister, he said that subclause (b) of clause 15 enables a debt collector to withdraw from the trust account his commission on any debts collected. It also permits him to withdraw from the trust account any debts which may properly be owing to him by his creditors. Then, if I understood the Minister correctly, he said that furthermore it allows the debt collector to draw such other amounts out of the trust account as he is "by written direction signed and given to him by a person entitled to give the direction, expressly directed to withdraw."

The Hon. A. F. Griffith: No. I do not think it is intended to give him that authority, but to retain it for these other purposes in the express direction that has been signed and given to him.

The Hon. H. K. WATSON: I think it should say so. If paragraphs (b) (i) and (ii) remained as they are and there was a third provision which stated "and such other amount" I could understand it. As I read the paragraph at the moment it

appears the debt collector cannot even take out his commission unless he has written direction.

The Hon. A. F. Griffith: No. He does that under (i).

The Hon. H. K. WATSON: That subparagraph is governed at the moment by the words which follow the word "which."

The Hon. A. F. Griffith: Subparagraph (i) is governed by the whole of paragraph (b). The draftsman assures me this is proper drafting.

The Hon. H. K. WATSON: I still cannot see it. Take subparagraph (i).

The Hon. A. F. Griffith: The word "and" comes between subparagraphs (i) and (ii).

The Hon. J. Dolan: What carries on afterwards is concerned with (i) and (ii).

The CHAIRMAN (The Hon. N. E. Baxter): Order! Will the honourable member address the Chair.

The Hon. H. K. WATSON: The word "and" appears, and both subparagraphs are connected by the word "which." That is why these four lines should not appear. If before the word "which" there was a provision to cover the third class of case mentioned by the Minister, I could understand it. As the Minister has said, a debt collector may have a credit of a couple of hundred pounds, and the person on whose behalf he is acting may be overseas and may write to him and say, "Pay Mrs. Jones £5 a week from that account." I could understand that, but I think a few extra words are required to cover the third class of case. I think we are still in bother over this.

The Hon. A. F. Griffith: The draftsman says he is not.

The Hon. H. K. WATSON: With due respect to the draftsman, I still say it is not clear and does not convey the explanation given by the Minister.

The Hon. A. F. Griffith: The only thing I am concerned about is that I have not been able to transmit my explanation in proper form.

The Hon. H. K. WATSON: I think the last four lines should be deleted, or something should be added to cover the third class of case.

The Hon. A. F. GRIFFITH: I suggest that the honourable Mr. Watson withdraw his amendment, and I will undertake to have the matter satisfactorily explained before the third reading. The draftsman assures me that in legal drafting this is perfectly all right.

The Hon. E. M. HEENAN: This provision would be satisfactory, perhaps, if it read—

> Except in payment of (i) and (ii) he shall not withdraw or permit the withdrawal of the whole or any part of the amount which he is, by written direction signed and given to him, etc.

The Hon. A. F. Griffith: That would mean you would have to get a signed direction in respect of (i) and (ii).

The Hon. E. M. HEENAN: No; it would except any payment in respect of (i) and (ii).

The Hon. G. C. MacKINNON: There are some of us who are, perhaps, thinking the same way as the honourable Mr. Watson. The provision does seem to state that the debt collector shall not withdraw or permit the withdrawal of the whole or any part of the amount except in payment of fees and other things which he is by written direction entitled to withdraw. If the paragraph is read in that way, it would appear to me that he could withdraw (b) (i) and (ii) and those items in respect of which he has written direction. I think it is intended that he shall only withdraw any one or more of the items listed in (i) and (ii) for which he has express written permission.

The Hon. H. K. WATSON: If it is intended to do what the honourable Mr. MacKinnon has just mentioned, I say it is restictive, unworkable, and unfair.

The Hon. G. C. MacKinnon: I would agree with that.

The Hon. A. F. GRIFFITH: Surely it is not unreasonable to do as I ask: to let the matter go subject to my clarifying it before the third reading. In order that we may do that, it will be necessary for the honourable Mr. Watson to withdraw his amendment.

The Hon. H. K. WATSON: In view of the course of action suggested by the Minister, I ask leave to withdraw my amendment.

Amendment, by leave, withdrawn.

Clause put and passed.

Sitting suspended from 3.50 to 4.5 p.m.

Clause 20: Fidelity bond—

The Hon. A. F. GRIFFITH: This is the clause that was amended by the Committee yesterday evening in many respects. In the first place, in line 5, the Committee deleted the word "other" and substituted the word "greater." Following this it was agreed that the word "three" in line 11 should be deleted and the word "five" substituted. Again, the Committee deleted the word "other" in line 12 and substituted the word "greater", so that the wording, relating to the amount of the fidelity bond, would be the same in paragraphs (a) and (b). Then, in line 14, after the word "Minister" the Committee inserted the words "or in some form of security approved by the Minister."

In my opinion, what the Committee should now do is redraft the whole clause, because, as I pointed out last night, it is a duplication of events. In the first place, I was content to accept the substitution of the word "greater" for the word "other" in paragraph (a), and my comments in this regard apply also to paragraph (b). However, in reverting to the initial words of subclause (2), "The fidelity bond shall be a bond in the form prescribed in the sum," the regulations prescribe the method of making a fidelity bond and the Minister is free to prescribe in the regulations what form the fidelity bond shall take. He could provide that there shall be a fidelity bond taken out with an insurance company. The honourable Mr. Watson mentioned another form. He said that Commonwealth bonds could be deposited as security, or anything else that is prescribed.

The important factor is that, in each case, a fidelity bond for the sum of £5,000 can be put up.

The Hon. H. K. Watson: And need not be done through an insurance company.

The Hon. A. F. GRIFFITH: No. I have been advised that a fidelity bond shall be a bond as prescribed. It shall be prescribed in the regulations, and paragraphs (a) and (b) have reference to the amount of the fidelity bond for the two classes of persons. The only real objection I have to the amendment in paragraphs (a) and (b) is that the Committee increased the amount from £3,000 to £5,000. I would have been happier if the Committee had amended only the word "greater" in paragraph (b) and let the word "three" remain—which would mean the amount would be £3,000—and this would have given the Minister some latitude to provide for some other amount beyond £3,000.

At the moment I am obliged to legislate for at least £5,000 for a man who may be in business in only a small way, and, this could be a little harsh on him. Therefore, to test the feeling of the Committee I move an amendment—

> Page 16, line 11—Delete the word "five" inserted by a previous Committee and reinsert the word "three".

The clause, in this instance, would then revert to the original form, except that a corporation would be obliged to put up a fidelity bond for a sum of £5,000 or more, and a natural person would have to lodge a fidelity bond for £3,000 or more.

The Hon. H. K. WATSON: There is a principle here that should be pursued, and for that reason, I ask the Committee to disagree with the amendment. As I pointed out last night, assuming an individual was always a small trader, and assuming a company was always a substantial trader, there would be merit in the Minister's argument, but it is more than likely that an individual starting in a small way would form a small company to give him limited liability. He forms his company with £10 and is still a small person, but he, even under the Minister's proposal, still has to provide a fidelity bond of £5,000. On the other hand, there may be an individual carrying on business very extensively—and some individuals do carry on extensively not only in this form of business, but also in the hire-purchase field. I do not think there should be any distinction between a company and an individual.

If it were based on turnover, the amendment would be more rational, but to distinguish between a limited company on the one hand, and an individual on the other, is a proposition I have never seen advanced in any other legislation.

The Hon. A. F. GRIFFITH: Of course, it could operate completely in reverse. A corporation could be very small or very great in its operations, but if it were small it would be forced to put up a fidelity bond of £5,000, and if a single natural person were in business in a small or large way—

The Hon. H. K. WATSON: Wait a minute! The honourable member does not allow any latitude for the small corporation; but I do not mind that so much because a corporation is two or more people, and an individual may be operating only in a small way when he commences in business.

It may be that the bond for a single person is £5,000, but it will be obligatory on the Minister to prescribe the sum of £5,000, even if that person is in receipt of a net income of only £500 or £600 a year from his activities. Such a provision could prove to be a bit harsh.

Amendment put and passed.

The Hon. A. F. GRIFFITH: I move an amendment—

> Page 16, line 14—Delete the words "or in some form of security approved by the Minister" inserted by a previous Committee.

The term used in the clause, "the fidelity shall be a bond in the form prescribed", is sufficient to cover the situation.

The Hon. H. K. WATSON: I thought the wording in the clause would confine a fidelity bond to one from an insurance company. I understand the Minister will be administering this legislation, and in view of his very definite assurance that a person will be able to take out a bond, other than a fidelity bond from an insurance company, I do not oppose the amendment.

Amendment put and passed.

Clause, as further amended, put and passed.

Clause 21: Termination of fidelity bond—

The Hon. A. F. GRIFFITH: This was the clause over which there was considerable argument. It was thought by the honourable Mr. Watson that in order to clarify the intention the words "to the extent of the amount of the bond" should be added, so that the obligation on a company would be limited to the amount of the bond. He said the wording in the clause made it appear that a company might be liable for something for which it did not contract. I have checked with the Parliamentary Draftsman and I find that a company will not be liable for any amount in excess of that set out in the bond. If a bond is taken out for £3,000, that will be the extent of the liability.

On the question of the fidelity bond, it is true I shall be administering the legislation. The draftsman assures me there is sufficient power to regulate on the basis upon which a bond will be received. If I were to regulate on a bond of £5,000, and I told a debt collector he could deposit £5,000 worth of Commonwealth bonds, and if subsequently he were to accumulate debts amounting to £5,500, would there be any possibility of getting the difference of £500 from him? Obviously not.

I move an amendment—

> Page 16, line 29—Delete the words "to the extent of the amount of the bond" inserted by a previous Committee.

Amendment put and passed.

The Hon. A. F. GRIFFITH: I have been asked to clarify subclauses (3) and (4). They cover the right of a creditor of a debtor to sue the insurance company which gave the bond. It has been explained to me that the bond is given to Her Majesty the Queen, who has no right to sue in this instance. If the two subclauses are deleted then the right of a creditor of a debtor to sue will be removed. In order to give the creditor the power to sue, the provisions in subclauses (3) and (4) have been included.

The Hon. H. K. WATSON: I would like the Minister to amplify the reasons for the inclusion of these two subclauses. Would the permission of the Minister to sue be granted automatically, or would he have to inquire about the existence of other creditors of the debtor?

The Hon. A. F. GRIFFITH: It is not within my rights to sue; it is the right of a crediitor to sue. As Minister I would not want to recover, in the event of a bond being called up; but a creditor of the debtor might wish to sue the insurance company. Without these two subclauses the creditor would not be able to sue.

The Hon. H. K. WATSON: Assuming a debtor had more than one creditor, and the first creditor desired to sue the insurance company, and sought the approval of the Minister, would such permission be granted automatically, even though there were other creditors?

The Hon. A. F. Griffith: That would depend entirely upon the circumstances. If it was a bankruptcy I would not give permission to sue.

Clause, as further amended, put and passed.

Bill again reported, with further amendments.

ADOPTION OF CHILDREN ACT AMENDMENT BILL

Second Reading

Debate resumed, from the 10th November, on the following motion by The Hon. L. A. Logan (Minister for Child Welfare):—

> That the Bill be now read a second time.

THE HON. E. M. HEENAN (North-East) [4.25 p.m.]: The Minister, in his second reading speech, opened his remarks by saying—

> One of the most important functions of child welfare authorities is the supervision of adoption.

He went on to say that the adoption of children was a subject which evoked very powerful emotions in all of the parties concerned. I am sure no-one would question those remarks. Undoubtedly, the adoption of children is a most important matter.

The Bill seeks to amend the existing Act in a fairly comprehensive manner. This can be readily understood by the fact that the Act consists of 12 pages, but the Bill seeking to amend it runs into 19 pages. The Minister gave the House a very full explanatory outline of what is proposed in the Bill, and generally I agree with him.

The proposals in the measure will have the effect of improving the existing legislation in many respects. I understand that the laudable trend which has been adopted in recent years—by which the Attorneys-General of the various States confer from time to time largely with a view to achieving some uniformity throughout Australia in respect of certain common pieces of legislation—has been followed in this instance. I understand that a model Act has been prepared, the basis of which has been followed in Victoria, and is now being followed to a large extent in the measure before us. The idea is that in future the adoption laws in the various States will have some uniformity; and that is a good thing.

Over the years I have had a fair amount of practice in connection with this Act, and I have always been impressed with how solicitous has been the law with regard to the adoption of little children.

Under our Act the only person who can make an order for adoption is a judge of the Supreme Court, and fairly rigid requirements have always had to be complied with before an order is granted. I have found that judges assume this responsibility with great seriousness and insist on all the requirements being scrupulously complied with. However, experience has revealed latent weaknesses, and this Bill proposes to remedy them and bring in several other worth-while improvements.

The importance of the matter is also expressed in the figures which the Minister gave. He mentioned that last year there were 448 adoptions in Western Australia, and so the future welfare and well-being of 448 little children was therefore largely decided last year. It has to be remembered that once a child is adopted he becomes wholly and completely a member of the family of the adopting parents. He assumes all the legal rights and responsibilities which accrue to an ordinary child.

With the development and increasing population in this State that number of 448 will assuredly greatly increase. It is a remarkable thing that there is a great demand by most worthy people to adopt little children. Usually the supply of children for adoption falls far short of the demand for them, and that is a very wholesome state of affairs.

To deal more specifically with the measure, I can recapitulate some of the main features, although they have already been carefully outlined by the Minister. I have mentioned that the Bill is based on a draft model Bill prepared as a result of discussions between the Attorneys-General; and I entirely approve of that principle. It provides for the recognition in Western Australia of adoption orders made in other States and selected countries; and that again is a worthy innovation.

The rights of the mother of a little child have been more closely safeguarded than they have been in the past, although I do not admit that we have been derelict in that respect previously. However, greater protection is given to the mother of a little child. For instance, very adequate proof has to be provided that when she consents to the adoption of her little child she is in a fit condition to do so. Speaking from memory, I think a period of seven days has to elapse before she can give the consent, the motive behind that being, I think, that for a period of a week after the birth of her child she may not be mentally stable enough to sign a consent by which she gives away the child.

Furthermore, after having signed a consent, she can revoke it within 30 days. So it seems to me that we cannot go much further than that to protect the rights of the mother. After a period of 30 days has elapsed, however, she cannot revoke the consent. She has then consented irrevocably to the adoption of her child.

In the past a good deal of trouble has occurred in the case of the adoption of illegitimate children, in procuring the consent of the putative father. It has been necessary to get his consent, and it is a fact that his consent is frequently difficult to obtain. In many cases, of course, he denies paternity, and then application has to be made to a judge to dispense with his consent. Frequently he has disappeared and is hard to trace; and a good deal of trouble invariably occurs in connection with the putative father. If this Bill is adopted, he will not figure in the picture at all. He will not have to consent. I think that is a good thing because, in any case, his interest and rights in the child are practically nil.

There is one important innovation to which I think honourable members should give some consideration, and it relates to the case where a child has parents but is in an institution. The Bill provides that if the parents of such a child do not show any interest in his welfare or well-being for a period of 12 months, the Director of Child Welfare can initiate proceedings for his adoption.

That seems to me a fairly far-reaching power to grant to the director, although, of course, the motives behind it are quite obvious. If a little child is placed in an institution and the parents forget about him and do not take any interest in him for a period of 12 months, it seems fairly obvious that they have cut themselves entirely adrift from him; and the future of a child tied to such parents is not, of course, a very good one. Therefore in such a case this Bill provides that the director can initiate the adoption of the child.

The Hon. L. A. Logan: You still have the safeguard of the judge, of course.

The Hon. E. M. HEENAN: Yes. Of course the director has not the final say. He can set the machinery of adoption in operation, but ultimately it goes before a judge who makes the final decision. However, I point that out as being one of the most important innovations in the Bill.

The measure also deals with abuses which could be associated with the adoption of children. I think we know that in other parts of Australia and the world little children are sold almost.

The Hon. F. J. S. Wise: They are sold.

The Hon. E. M. HEENAN: People pay money for them. Some mothers will agree to adopt out their little children if they are paid money. Of course many decent people have such a longing to acquire a child that they would pay almost anything to get one. This Bill provides that that sort of thing shall not be countenanced in any way whatever.

Other abuses, such as advertising children for adoption, are also to be ostracised. One other innovation of which I entirely approve is the provision that before a child can be adopted its physical and mental fitness have to be certified by a satisfactory medical certificate—I think that is what the Bill provides.

The Hon. F. R. H. Lavery: It is a very fine provision.

The Hon. E. M. HEENAN: In the past that was not necessary. The parents were the ones who had to establish that they were reputable, that they had a decent home, that they had a steady income, and that they were physically fit and free from tuberculosis. They have to get a report from the doctor that both parents are free from T.B. Rigid and necessary requirements such as those were imposed on the adopting parents, but no certificates were required in connection with the health of the little child.

The Hon. R. F. Hutchison: Some people will adopt a handicapped or physically and mentally disabled child.

The Hon. E. M. HEENAN: I suppose what the honourable Mrs. Hutchison says is quite right and laudable—some people will adopt handicapped and physcially and mentally disabled little children—but so long as they do it with their eyes open it is all right. This Bill provides that the health of the child shall be certified so that these facts are known to the adopting parents, and of course to the judge.

The sphere of the Director of Child Welfare is amplified in some respects, which I think is necessary; and after an overall and careful perusal of the Bill, and from the practical experience I have had in connection with the Act, I think it is a good measure and will bring about a considerable improvement to our law in respect of adoptions. I give it my blessing.

Debate adjourned, on motion by The Hon. R. F. Hutchison.

IRON ORE (MOUNT NEWMAN) AGREEMENT BILL

Second Reading

Debate resumed, from the 4th November, on the following motion by The Hon. A. F. Griffith (Minister for Mines):—

That the Bill be now read a second time.

THE HON. F. J. S. WISE (North—Leader of the Opposition) [4.49 p.m.]: This Bill, and the two succeeding it on the notice paper, deal with the appropriate sections to form Acts to ratify agreements made with different companies in relation to the mining, treatment, and export of iron ore. The first Bill, the one we are now discussing, deals with an agreement relating to iron ore deposits at or near Mount Newman, and the agreement is made between the Government and a company known as the Mount Newman Iron Ore Company Limited.

I wish to make some comment at length a little later, but initially I want to draw attention to that part of the Bill which could, if the House willed, be amendable; but I think that the agreement which has been signed is one which the House has little option but to pass as it is. That part of the Bill which is amendable is in clauses 1, 2, 3, and 4, and it is noteworthy to observe that in clause 3 the Government is ensuring that there is no need for the plans of any railway to be tabled in either House, and that the railway may proceed. In other words, we are contracting out of the provisions of section 96 of the Public Works Act.

Honourable members will recall the mistake that was made by the Government in connection with another Bill a year or two ago. This Bill absolves the Government from conforming to the requirements of the Public Works Act in relation to the construction of railways, a provision which is very definite and which, I assume, is in this Bill on the plea that this is in no way a government railway, but that it is a railway to be constructed by a private company. I would assume that is the situation.

The Hon. A. F. Griffith: It certainly is a railway that will be constructed by a private company.

The Hon. F. J. S. WISE: Yes; and to remove all doubt as to whether a ruling by the President was right or not, this move is being made. Naturally, I strongly support the President's ruling—

The Hon. A. F. Griffith: In the circumstances I can see why.

The Hon. F. J. S. WISE: —the reason being that I am sure the President was right. The next matter in the Bill to which I wish to refer, and which this House can amend if it wills, is in clause 4 which provides for by-laws to be made for the purpose of, and in accordance with, the agreement. But in paragraph (d) of the clause is a provision to get away from the requirements of section 36 of the Interpretation Act. In this particular I think it is very important that we ensure that all by-laws made for the purposes of these agreements are presented to this

House, and the House should know all about them. I would regret very much if that procedure were not to be followed.

I think we can go too far along the road of Parliament not knowing what is happening. Whether it is intended in any way to overcome any responsibility for tabling matters that have appeared in the *Government Gazette*, or whether it is overcoming anything that the Constitution Act or the Interpretation Act might require, I do not know, but I hope that is not to be the situation; because I think it is important, in matters of this magnitude, that Parliament should have some chance, firstly, of knowing what is going on, and, secondly, to disapprove if something is not done wholly in the public interest.

The Mount Newman Bill is giving long-term security by the Government to a new company. It is the only company which so far has no agreement approved by Parliament—that is of the three we are dealing with today. I notice the Minister's hasty glance. I would make this long-shot forecast: There will be another iron ore agreement presented to Parliament before this session ends, one which I think will be of a different kind from this, and to which I will refer a little later.

This company has been able to take the risk of spending a lot of money, making a lot of preparations on the ground, and indulging in very great expenditure without an agreement, and I think it is in no less a prejudiced position because of having no agreement than either of the companies that have. Indeed, without an agreement, it has been endeavouring to engage in sales and plans for export side by side with other interests. There was a very strong rumour through the north recently that the Mount Newman company might be the first to achieve success in sales.

But be that as it may, this company has taken the risk without the hurried passage through Parliament of an agreement, and the anxiety that the Bill should be passed before the session ends, as was the case previously; and I suggest it is in no worse position than the companies which have had agreements for a couple of years.

The Hon. A. F. Griffith: I think it would be safe to say that each one of them has been given the number one position in rumours.

The Hon. F. J. S. WISE: In the public mind, yes. They alternate.

The Hon. A. F. Griffith: Yes, from time to time.

The Hon. F. J. S. WISE: They alternate, and any one of the three might win in the initial prospect of sales and treatment for export. That could be so.

The Hon. A. F. Griffith: It is certainly not known at the present time.

The Hon. F. J. S. WISE: That is so. This company having the right to explore and the right to develop has launched long-term operations of a substantial nature. Mount Newman is a wonderful deposit. The company is not confronted with the construction of a railway over the more difficult terrain, such as the Hamersley company is. The nearer approach to Hedland from near Wittenoom is difficult, but it has not some of the serious port creation problems as in the case of the Hamersley company; nor has it the difficulties associated with the establishment of a new town, as have the other companies.

This company, if it gets contracts, hopes to export 5,000,000 tons of ore, and it hopes to begin exporting three years after the proposals have been approved. This is a matter of intense importance to this State, and to this nation, and I hope it has interested honourable members sufficiently to prompt them to examine what is proposed in the measure, and to follow the time involved if all the contingencies provided for in the Bill are to operate.

I repeat, when the company gets contracts it hopes to export 5,000,000 tons of ore, and to begin exporting three years after the proposals have been approved. The company is committed to investigations of all kinds; to the investment of £13,000,000 on the export facilities; and to the building of a 260-mile standard gauge railway to the coast. It is also committed to the construction of a port site, and a complete town to be paid for by the company.

But, and it is a big but, the whole of its future depends on sales. Then commences the three years allowed before export; and when it is prepared for development and export there is no limit unless the Commonwealth intervenes. At this stage, however, there is no limit on the annual rate of export. After the period of mine development, railway construction, and harbour development there is an obligation on the company to expend £8,000,000 on a processing plant within 10 years of the beginning of exports. The company must then start within two years to process 2,000,000 tons of iron ore. If this figure is too high it may be temporarily reduced to not less than 1,000,000 tons. Royalties are the same as those that approximate in the Hamersley agreement, and it is interesting to observe that the royalties in their variation are not very substantially higher than, or vastly different from, royalties paid by Broken Hill Pty. in connection with the Yampi Sound deposits.

The Hon. H. C. Strickland: And voluntarily paid.

The Hon. A. F. Griffith: They are.

The Hon. F. J. S. WISE: I used the word substantially. I acknowledged that they are different. But for the use of iron ore

in Australia the amount voluntarily paid by Broken Hill Pty. Ltd. may also be low at this point of time, but in comparing the two I would say that these are not relatively high by comparison.

The Hon. A. F. Griffith: Would you give us the figures? B.H.P. pays 1s. 6d. a ton. The Mount Newman iron ore company on direct shipping ore will pay 7½ per cent. f.o.b., which is about 6s. a ton.

The Hon. F. J. S. WISE: On some sorts of ore. In any case the 7½ per cent. is the ruling and governing figure. So in this agreement we certainly have a very large project in prospect. There are some unfortunate things in relation to the domestic parts of the two companies; and I speak of the Mount Goldsworthy company and this company as the two companies intending to use the port of Port Hedland, or sites adjacent thereto. The conflict in ideas regarding ports and harbour facilities is I think a bit unfortunate. The Mount Goldsworthy company intends to use Finucane Island on this side of the harbour in the meantime, but to use the harbour with its facilities to bring in ships from 10,000 to 15,000 tons. The Mount Newman company however is intending to use an open-ocean approach with the object of initially using 40,000-ton ships and eventually using up to 100,000-ton ships.

That prospect is enormous in its conception. In the handling of the ore the intention is in the one case not to interfere very much with the town as it is constituted. Port Hedland is a very difficult little town. It is long and extended, with no facility for moving north or south, because there is the marsh on one side and the ocean on the other. The area is very restricted.

If the Mount Newman company's port is to get to that point, as we have been told it may, the company will have to traverse part of the area of the town which is under the jurisdiction of the Port Hedland Shire Council. The public forecast for this area in the speeches made by the Ministers on this agreement appears to me to be too good to be true. I would say the agreement is extremely generous in its flexibility; indeed it is so flexible that one would have a job to say where the limits may be in regard to the new arrangements, the new considerations, the new proposals, and indeed the new agreements possible when this Bill is passed.

The Hon. A. F. Griffith: Flexibility is necessary in these things. It is similar to the flexibility of the Mount Goldsworthy agreement of last year on which, if you remember, I said that although we were not obliged to we would certainly bring it back to Parliament.

The Hon. F. J. S. WISE: Parliament needs such assurances as that, because this agreement provides for alternative proposals of a very wide character and nature if circumstances warrant. Those are the words that are used. Who can measure circumstances? Who can measure the extent of this flexibility? We could get to the point of substitute operators being brought in.

On an examination of this agreement clause by clause it is obvious that substitute proposals could be very far-reaching indeed. A lot of money has been spent by the other companies in addition to this one. I do not know what the comparison would be between the Conzinc Riotinto group and this company, but the part of their field that I have been privileged to visit indicates an intensive activity designed to test in every way, in a most meticulous fashion, the extent and value of surface deposits; to see what is under the surface; and to test and survey the railroads.

In part of the Hamersley country one can drive from station to station, from place to place, and from one scene to another and locate on the side of the road survey pegs, and wonder what they are all about. A most remarkable and intense activity has been shown by these companies in their endeavours in many directions. We must admit this is a very big project—not merely Mount Newman; but the whole project from the Robe River through to Mount Goldsworthy—Robe River being the subject of rights and concessions to another company to which I will refer in a moment. We must also admit however that these vast deposits may still be undeveloped for many years.

At this point of time Japan appears to be the only buyer, but there are several anxious sellers. The vast millions to be spent depend, initially, on sales, and such sales are to be extended over a long-term period into the future. What is the immediate future of the long-term aspect? We have had a conflict of opinion there.

Perhaps no-one would be better equipped than the Minister for Mines himself to disclose something which is disclosable as to his own reactions of the date and the prospects of initial contracts of sale and their extension into the distant future. I think the best analysis that I have seen of the immediate and long-term future was in an article written by Frank Divine and which so far as I know has not been contradicted or corrected in its outline.

We must concede that these agreements do in fact tie up our resources of thousands of millions of tons of iron ore to several companies in a long-term way—companies which will have a common interest mainly in the one market. It is not inconceivable that the interrelated possibilities of the agreements themselves will bring them all into one cartel before many years have passed. These companies

are separate and distinct at this point of time and they have moneys provided both from inside and outside Australia.

It is very interesting, I think, to draw attention to what the Deputy Prime Minister and the Leader of the Country Party in the Federal sphere had to say on the proportion of foreign capital invested in Australia's industries. It is enormous, and in some ways a bit disturbing. I would like to read from the article of Frank Divine which was written in Tokyo, and to which I made passing mention earlier. It reads as follows:—

> Japan holds all the good cards in its impending deal for Western Australian iron ore. The fact that there is a worldwide oversupply of ore does not matter so much because the Japanese steel executives do not deny that the quality and proximity makes the Australian ore an attractively competitive proposition.

He goes on to say—

> Japanese industrialists have sensibly seen to it that they deal with a diversity of suppliers, so that no one supplier can feel secure enough to become obstreperous at contract time. Secondly, the steel manufacturers combine with one another for their major purchases, presenting a united front against fiercely-competing mining companies.

An interesting part of the Japanese way of business is in the next paragraph in which he says—

> The purchase of about 60 per cent. of Japan's iron ore needs is arranged by the Committee for Overseas Iron and Steel Making Raw Materials, which is made up of representatives of the ten major steel companies of Japan. This organisation receives annual estimates of the ore needs of the individual companies and fixes the price range within which the industry is prepared to negotiate.

So that at the receiving end the individual users of the ore do not, as a general rule, buy as individuals, but buy under the control of a big organisation known as The Committee for Overseas Iron and Steelmaking Raw Materials.

The Hon. J. G. Hislop: They buy through one organisation, I understand.

The Hon. F. J. S. WISE: Yes. Continuing—

> The suppliers have little or no contact with the steel companies. The committee uses trading companies for the actual wheedling and dealing—17 trading companies, for example, to negotiate with the mining corporations of India, one of the biggest supplying nations.
>
> About another 25 per cent. of Japan's ore supplies are bought through what the industry calls "partial joint ventures", from two to half a dozen steel companies putting their corporate heads together to make a deal.
>
> Little more than 15 per cent. of the millions of tons of ore engulfed by Japanese furnaces each year is bought by individual steel companies venturing naked and alone into the world.

Mr. Devine goes on to say—

> The steel men spread their patronage around to 13 countries in 1963.
>
> The main suppliers last year were: Malaysia, 6,282,000 tons; India (including Goa), 5,844,000 tons; Chile, 3,695,000 tons; Peru, 3,199,000 tons; United States, 1,919,000 tons; Canada, 1,763,000 tons; the Phillippines, 1,412,000 tons; Africa, 1,091,000 tons. Countries supplying less than 1,000,000 tons were Brazil, North Korea, South Korea, Communist China and Hong Kong. The total Japanese consumption of ore was 26,379,000 tons.

About 70 per cent. of Japanese ore contracts are made on long term; that is, on two years or more. Mr. Devine subdivides the interests and the years of contract and the years of their duration into various countries. The contracts with the United States, Chile, and Africa, are for 10 years beginning in 1962; for Brazil, 15 years, beginning in 1962; Peru, six years from 1963; and Canada, nearly 10,000,000 in two contracts ending in 1970 and 1973 respectively.

So that in these deals for crude ore the Japanese steelmakers have an assured supply for many years to come from countries which are not as equable or have as stable a political climate as has Australia. Mr. Devine concludes this part of his review by saying—

> Thus, the best and only hope the West Australian suppliers have of getting a substantial share of the market by 1970 lies in the continued expansion of the Japanese steel industry.
>
> In addition, the Japanese steelmakers have two big contracts for the supply of iron-ore pellets—one with the Kaiser Corporation for 10,800,000 tons over six years from 1965, and the other with Peru for 6,500,000 tons over six years from this year.

I think it is necessary for us to get in true perspective what we are, in this Parliament, contracting for with companies that are obliged in the ultimate to provide for the export of the commodity, with all its attendant costs, and the ultimate treatment within Australia of the ore, either by pelletising or in establishing substantial industries. I think we may state very confidently that the Japanese

steel industry is still expanding in a fantastic fashion. So although these figures appear to be arranged to satisfy their needs for the next decade, it could be there will be a demand outside those countries for ore, which would include the interests in Australia. That appears to be the prospect.

It is obvious the use of iron ore in Japan at the moment is at an extraordinarily high figure. It is certain Japan's needs until, perhaps, 1973 are fairly well covered at the present rate of processing; and processing within Australia of our own iron ore will depend upon the rate of export. That is explicit in these agreements. Export markets have to be established, contracts and agreements made, the construction of railways completed, and all harbour facilities available, none of which we can expect to be commenced until there are definite orders. From the point of receiving definite orders, the nearest prospect of any processing following export is seven or eight years, on the analysis of time permitted for the treatment of 2,000,000 tons on our shores, and 1,000,000 tons, if the 2,000,000, for any reasonable reason, cannot be reached.

So from the point of view of the expenditure of vast sums which the companies have collectively expended, not much can be anticipated as an impetus to development and to population until sales are an actual fact; and the magnitude or volume of the sales will depend on which company builds which railway or develops which port.

The third Bill we have in succession on the notice paper deals with an entirely different area, so I will not intrude discussion on that one at this stage; but I think it is pertinent to say at this point that while the first two companies we are dealing with in the first two Bills are to use Port Hedland, the other one is to construct a railway in very difficult terrain and bring it to a port site near the Dampier Archipelago, which lies adjacent to King Bay and off the coast near Karratha Station.

Honourable members who know that terrain and who have travelled by road or by ship would get a better understanding if I said it was some miles to the south of Point Sampson and less than midway between Point Sampson and Onslow, where deep water is available for ships of large tonnages. This was known after a very intensive survey, lasting over some years.

One thing about these agreements above another which concerns me—and I am concerned at a lot of aspects—is that we should not mislead ourselves or the public over what the future may hold in the prospective timing of this development. If we go back through the newspaper files over the last year or two we see sensational headlines following the discovery of vast tonnages of ore, which have grown from the first stated thousand million tons to a position where one could merely add another nought to that immense figure. It is fairly safe to say we do not know the extent of this ore, but it is thousands of millions of tons.

Honourable members may recall that it was said in 1961 that Senator Spooner had prematurely lifted the lid off the most closely guarded mineral secret in this State. I am quoting from the newspaper—

> The existence of the fabulous iron ore deposits in the Hamersley Ranges has been known only to a select few. The key find was made in 1952.

In that article it mentioned the figure of 2,500,000,000 tons known since 1952 by Senator Spooner and other privileged people, including, I think, Sir Arthur Fadden. That was the tonnage known when some States were battling to export 100,000 tons and were told that Australian iron ore resources were insufficient to permit it. I have not seen that contradicted; and I have been at some pains to examine newspapers from that period on, which had a reference to iron ore.

That, I think, is a most unfortunate situation, for if that information held in secret, as this paper suggests—and I quote from the *Daily News*—was known at that time, and had the Commonwealth decided in those years to permit the export from this State of some of the excess tonnages far beyond Australia's material needs for many decades, what a different situation this State would have been in in regard to the making of contracts and the sales, which would have continued and been a fact for several years now!

That is a very unhappy circumstance, and I will delve into some angles of it which are more than unhappy; because it is obvious that some of those people in the know at that time did endeavour to exploit the situation as soon as the lid was lifted off.

The arrangement in this agreement is one of very great magnitude. It involves an expenditure, in the ultimate, of tens of millions of pounds. When that ultimate will be, I do not know; but the fact remains that the iron ore is all tied up in the passing and approval of these agreements.

It is obvious that the companies involved are unaffected by heavy expenditure in this State, because they are of such substance and of such financial capacity that all they will be losing over the next five, 10, or 20 years is the interest on the money which they have spent, such expenditure being lost in their overall earnings in connection with the development of this and other countries.

So do not let us delude ourselves that because of the strength of these companies we must soon get development over

the whole of the area. I will not take second place in wishing and hoping that could be the case, but we must be realists. It is unfair to glamorise a prospect in a fashion which misleads; because if we follow through the agreements from every conceivable aspect which could be anticipated, we find that they are alterable without reference to Parliament. There is the assurance, so far as the Mount Goldsworthy agreement is concerned—and I know that the Minister will honour that assurance—that if an alteration in the agreement is required, Parliament will be advised.

The Hon. A. F. Griffith: May I interrupt by saying that the agreement which we will be dealing with next is the result of an undertaking which we gave last year.

The PRESIDENT (The Hon. L. C. Diver): I think the honourable member may meet that situation when we come to that item.

The Hon. F. J. S. WISE: I will endeavour to do so, Mr. President; but, in short, it repeals the original agreement. All the pains that we went to a year or two ago in connection with the Mount Goldsworthy agreement Bill were abortive, if we went to any pains in that connection.

The Hon. A. F. Griffith: They were not abortive at all. If we had not rewritten the agreement there would have been difficulties, I am sure, about following the amended agreement.

The Hon. F. J. S. WISE: That can hardly be said, because Mount Newman has so far operated without any agreement at all. My point is that we must be realists in this matter.

The Hon. A. F. Griffith: They have all operated, to some extent, without agreements. Mount Goldsworthy operated for 18 months on temporary reserves without an agreement, and there have been other companies which have operated on temporary reserves without agreement.

The Hon. F. J. S. WISE: Every conceivable contingency has been provided for. This does not provide for development today; it provides for development for a long distant tomorrow. I am not a pessimist. Heavens above! My life has been devoted to furthering and developing the north of Australia; and I say that without qualification. I fervently hope, as a realist, that there will be some prospect of development long before the members of this Legislative Council pass away. In view of the progressive arrangements made for deferment, and in view of the arrangements regarding pelletising and manufacture, I cannot see a gentleman in this Chamber who is young enough and who will be alive when the full development stage is reached. It could be at a time when "the wicked cease from troubling, and the weary are at rest." Tennyson said that a long time ago, and it is still true today in connection with this matter.

We must not delude local people into anticipating something which we know cannot happen until we get beyond the preparatory stage, no matter how intense the preparatory stage might be. The Broken Hill Pty. Ltd. is interested in our iron ore at Robe River, and I think we will hear something more about that before the session ends. Parliament could acclaim that information with greater enthusiasm than the arrangement in connection with the agreement before us. However, we have no alternative but to pass this Bill. I may try to amend it in Committee.

I hope that the long-term provisions contained in the Bill will not be necessary and that within a matter of months there will be something substantial in regard to contracts which could set in motion the short-term prospects embodied in this agreement.

THE HON. H. C. STRICKLAND (North) [5.39 p.m.]: The honourable Mr. Wise has covered this agreement fully and has not left much room for further comment. However, I have some criticisms to offer, particularly in connection with clause 4 of the Bill about which we will hear more later on. The agreement, as I see it, is more or less an open cheque to be used by overseas interests in bargaining with overseas buyers. There is only one overseas buyer that we know of, and that is Japan.

In my opinion, it is rather a pity that when one country requires iron ore and another country has large deposits, a third country intervenes and makes the sale of the iron ore difficult. By that I mean that if the Japanese Government and the Western Australian Government had got together and negotiated with an Australian company which was able to handle the mining, treatment, and export of iron ore, our north-west might have been in business by now. This agreement and the other agreements, which we will consider later, tie up our iron ore deposits for a long time; and this is not the best way of approaching the development of our iron ore resources in the north.

I agree that we must attract overseas capital to assist in the more rapid development of Australia. However, the overseas capital which will ultimately come from Japan in relation to our iron ore deposits could have been brought here in a more direct manner; namely, by negotiation between the State Government and the Japanese Government, and with no intervention by another government or country.

After having listened to the honourable Mr. Wise explaining the article by Frank Devine from Tokyo, we must recognise the fact that Japan has contracts for sufficient iron ore to carry on

its steel industries at the present rate until 1973; hence, I would suggest, the reason for the long term arrangements in this agreement.

I do not know whether overseas countries which are interested in Western Australian iron ore are also interested in iron ore deposits in those countries which are now supplying Japan with iron ore. It will be interesting to hear the Minister give us an assurance on that aspect. Are those companies which are already supplying Japan with iron ore—overseas countries that have entered into long-term contracts—also interested in the companies which these agreements relate to? The timing of this agreement, together with the timing of the contracts entered into by the Japanese importers of iron ore, has some bearing on Frank Devine's article. Are we in Western Australia to be the losers in the marketing of our iron ore? We do not know, and I am sure all honourable members would like to know something about that.

As has been said, the Japanese market for Western Australian iron ore could have been established some eight years ago had it not been for the refusal of the Commonwealth Government to entertain an export license. That refusal has obviously set back the iron ore exporting industry of Western Australia for a long period.

It is not, under these agreements, expected to export a ton of iron ore for several years. If we assume it will be seven or eight years that we have lost, and another seven or eight years that we will have to wait for the commencement date, we find that the Commonwealth Government, by its refusal to grant an export license—and Sir Arthur Fadden was acting Prime Minister at the time—set back the iron ore industry in Western Australia somewhat.

There is no need for me to refer to the efforts which were made by the State Government and which were not supported by the Opposition of the time, because that has become history; but it certainly has something to do with the position which we are in today.

It is most unfortunate to my way of thinking that the Government has bent itself in all sorts of ways to present Parliament with this type of agreement which, as I have already said, is to my mind an open cheque for companies to hawk around the world in their search for buyers of iron ore.

I was interested in the remarks of the honourable Mr. Wise in connection with the Prime Minister (Sir Robert Menzies) and the Deputy Prime Minister and their attitude towards overseas capital investment in Australia. Quite obviously these eminent men are not the only ones who hold some fears in regard to overseas investment in the Commonwealth. On that aspect I would like to quote from a journal that we all get posted to us, *Commerce-Industrial, and Mining Review*. In the issue for October, 1964, the leading article, at page 9, states—

> Overseas Investment in Australia.
>
> The Prime Minister (Sir Robert Menzies) said in Adelaide recently that he would be far happier if overseas investment in Australia permitted more Australian participation but added that at the present stage of our development, we still needed capital from overseas sources.
>
> The recent British exhibition in Sydney also highlighted the volume of British investment in this country which amounts to £387,500,000 without taking into account the amount of Australian capital subscribed to British companies which have admitted Australian investment.
>
> The volume of American capital is probably equally huge and the question continually confronting the Australian Government is whether they should restrict this capital inflow which is so necessary at the moment. Unfortunately, with our limited population and the need to expand our resources, it would be impossible for Australians to find all the necessary capital. Therefore, they are forced to permit the unrestricted entry of overseas capital. This capital has, in fact, conferred many benefits on the community in employment and in the establishment of vital enterprises. Yet a niggling doubt remains that it might have been preferable to have slowed down expansion in order to allow more Australian capital to participate. The question at the moment is perhaps academic for that reason but it cannot be ignored. The time must come when more and more money in the way of profits and dividends is repatriated overseas and our overseas funds will find an increasingly bigger drain on their volume as a result.
>
> The fear exists that we may become an appendage of British and American capital and subject to control from overseas sources. So far, the western world is still in an expansionary mood. The volume of investment capital overseas has grown to such proportions that it is looking to sound sources of investment abroad. Australia is particularly attractive but we must protect ourselves from the dangers which accompany it. The Associated Chambers of Manufactures a few years ago suggested a voluntary scheme of participation for Australian investors but American companies

have shown no inclination to do this. The British have been more reasonable. The Federal Government should be continually alive to what is happening with this capital inflow and should be prepared to act strictly if necessary to preserve our assets and the right of individual action. Naturally the Government does not want to scare away much-needed finance but the time has arrived when it should be made plain that Australia must have a growing share in these investments. We may find we are riding a tiger. It would be disastrous if we found ourselves in the same unenviable position as the Canadians.

There is a tremendous amount of sound commonsense in that article. I am sure it is rather distasteful to many responsible people in Australia to realise that overseas capital is taking over, on very long term arrangements, thousands of millions of tons of our iron ore deposits, with no immediate obligation, or no obligation in the near future, to develop those deposits.

I view the position as not a good one by any means; and I feel that the Government should have looked around for other avenues, particularly this Government when, some few years ago, it would not support the export of iron ore on the ground that Australian deposits were insufficient to provide for export. But now, as we know, the deposits are huge and have attracted great attention from Japanese buyers, and one would have thought that this Government would make a different approach altogether, especially if it has full appreciation in relation to the development of the north of the State and the economy of Western Australia generally.

It does not matter where the overseas capital comes from, or through which channel it comes, it will be found in regard to the iron ore sold to Japan, even if it has passed through half a dozen different countries, the original source will have been Japan.

We are going to follow a roundabout route to get that capital here. An unfortunate aspect of it is that much of the proceeds of the capital investment will be exported overseas by way of dividends from profits.

The Hon. A. F. Griffith: A lot of the proceeds from the capital will go in the employment of our own people.

The Hon. H. C. STRICKLAND: There will be just as much employment for our own people, whoever owns the show; although there will not be as many employed, I am sure, as the Minister said in his speech. There has been some exaggeration in this House in recent days. When the Minister introduced the Bill he claimed that the population of Port Hedland would rise from 1,500 at present to something like 5,500, or 5,000, as a result of the ore deposits being worked. I feel he has been wrongly informed and that that statement is an extreme exaggeration.

My reason for saying that is based on the practical example we have had at Yampi Sound. The total population of Cockatoo Island is not quite 300. At times it has reached 300, but I would say the mean population is about 290. Included in that figure would be the people who were working on exploratory work on Koolan Island. But let us say there is a population of 300 at Yampi, mining, treating, and shipping ore.

If Port Hedland becomes a port of export there will not be any mining population, but there could, of course, be people employed in treatment work in the sweet by and by. There will be some employment in connection with the shipment of the ore.

New plant is being installed on Koolan Island at Yampi, and this plant will have about treble the capacity of the plant on Cockatoo Island; that is to say, the capacity of the plant on Cockatoo Island is 1.3 thousand tons an hour, and the plant at Koolan Island will have a capacity of 3.5 thousand tons an hour, but it is not anticipated that the population of Koolan Island will be any more than the population of Cockatoo Island. So we can assume that there will be about 4,000 tons of iron ore per hour, or 5,000,000 tons a year, coming from those two plants, and that the total population, including women and children, engaged in the mining, treatment, and shipment of the ore, will be about 600.

So I say to the Minister, who mentioned the population figure of 5,000 for Port Hedland, that in my opinion he has been wrongly informed. I hope he is right, but I do not think so, because with modern mechanisation the trend is to reduce rather than increase manpower; which reminds me of the original agreement made between B.H.P. and the Government. In that agreement it was considered, in relation to employment, that one man was equal to six horses, in this way: To meet the manning requirements of the lease under the Mining Act, it was considered that every six horsepower engine installed in the plant equalled the employment of one man.

If I remember correctly, that is written into the agreement. I may not have the words in their proper perspective, but that was the substance of them. To meet the requirements of the Mining Act it was provided that each six horsepower of mechanical power equalled one man.

The Hon. A. F. Griffith: They are mighty men in the north.

The Hon. H. C. STRICKLAND: Yes. So on that score I consider that the benefits which will accrue at some time

in the distant future will not be as great as the Government claims. I am also interested in the Minister stating that there are to be two points of shipment from the Port Hedland area: one from Finucane Island, which is opposite the township over a small mangrove creek, and the other at Cooke Point, near Pretty Pool, which is less than five miles from the town itself.

Port Hedland is situated on a low ridge of sand hills, according to the plan showing the contours, which the Minister laid upon the Table of the House. Of all the land involved, there is an area which is not subject to flooding during the heavy rains in the cyclone season. This is little more than 900 acres in extent. It is a strip of land less than five miles long, and I should say it would average a quarter of a mile in width.

There are to be two railways and two points of shipment, and possibly two areas to be reserved for stockpiling the ore, as well as a townsite to accommodate the people who will be working in the area. Having been acquainted with this place for many years, and being aware of the mass of mangrove creeks and swamps which surround this little promontory, my concern is for the fate of the townspeople who are already living there; at least I am concerned about some of them.

I have been interested to see the diagrams or plans showing where these facilities will be located, and my interest is on behalf of the people I represent. After asking for the plans to be tabled and the Minister expressing his unwillingness to accede to my request, I can only assume what is likely to happen. I admit that the Minister in this House said that I could see the plans in his office, but that is an entirely different thing from making the plans public. If I had the Minister's permission to make public what I saw in those plans, I would not raise any objections, but I will certainly not bind myself to any confidence which I will not be able to keep. I want to impart to the people who elected me all information concerning this matter.

The Hon. A. F. Griffith: Did I not understand you to say a while ago that we should not delude the local people into thinking something that may not be true?

The Hon. H. C. STRICKLAND: I do not think I said that.

The Hon. A. F. Griffith: No; I think the honourable Mr. Wise said it; but it is true.

The Hon. H. C. STRICKLAND: Those words were not spoken by me; *Hansard* will prove that is correct.

The Hon. F. J. S. Wise: I said that and I stand by it.

The Hon. H. C. STRICKLAND: My interest lies with the townspeople. If all this development is to take place on this small promontory I want to know—and I am sure the people in Port Hedland would like to know—what is likely to happen to the residents there. We know that this Government is introducing a measure into this House to grant to overseas companies the wealth which is contained in our iron ore, but without appraising Parliament of everything that is contained in the agreement. People living in the areas that are to be affected by the agreement are entitled to know if they will be pushed about or dispossessed of their properties. They are entitled to know what will happen; and, further, the people who may intend to buy any of these properties are entitled to know that the properties will not be taken from them.

The Hon. A. F. Griffith: When I answered your question yesterday I said that, at this juncture, no resumptions of private property are contemplated.

The Hon. H. C. STRICKLAND: At this juncture! When the House next meets, I will ask the Minister a question, the answer to which might give some information about this matter. At this juncture we do not know if railways will be built, but we do know the Government has accepted tentative plans for each point of shipment, and that the railways have to pass through this small townsite or somewhere in the vicinity.

The Hon. A. F. Griffith: And we do know that the local authority, with which the Government has worked very closely—

The Hon. H. C. STRICKLAND: The Minister has told us that the local authority has been kept advised of developments. I do not know whether that is correct, but I will take his word for it. Nevertheless, I do not know if the local authority has told the townspeople. The public certainly do not know anything of the proposed developments and they are entitled to know. What is there to hide? If there is nothing to hide, and no-one is to be pushed about, why not put the plans on the Table of the House and come clean? If this were done it would not leave any doubt or suspicion in the minds of honourable members.

The Hon. A. F. Griffith: You have been given a logical reason.

The Hon. H. C. STRICKLAND: I do not know what the Minister is saying in his interjections, because I cannot speak and listen to his interjections at the same time. I say the Government should come clean and make everything pertaining to the agreements known to the public, instead of proposing, perhaps, to push people around in the same way as they have been in the metropolitan area and in the outer suburbs.

When the agreements between BP and the Government, and B.H.P. and the Government, relating to undertakings in

the Kwinana area were presented to Parliament, a diagram and plan were attached to each of the agreements.

The Hon. A. F. Griffith: For the plain and simple reason that it was complete and known.

The Hon. H. C. STRICKLAND: So we are asked to pass something forever and ever, amen, which is incomplete and unknown.

The Hon. A. F. Griffith: Oh!

The Hon. H. C. STRICKLAND: It is unknown.

The Hon. A. F. Griffith: You are exaggerating the position as it exists.

The Hon. H. C. STRICKLAND: I am not opposing the agreements, but if the Minister can show me anything in them of some substance, or some indication that there is sure to be some export of iron ore, I will admit that I am exaggerating; but I am sure he cannot do that.

The Hon. A. F. Griffith: You know as well as I do, I cannot, and you also know as well as I do why I cannot.

The Hon. F. J. S. Wise: You can't; that is the answer.

The Hon. H. C. STRICKLAND: Simply because it is an open cheque which the company can hawk around looking for buyers.

The Hon. A. F. Griffith: If you took the same constructive attitude that your leader has done—

The PRESIDENT (The Hon. L. C. Diver): Order! I will leave the Chair until the ringing of the bells.

Sitting suspended from 6.10 to 7.30 p.m.

The Hon. H. C. STRICKLAND: Before tea I was expressing my views on the possible resumption of land in the townsite of Port Hedland. I notice that under the agreement it is provided that should the Government be required to resume townsite lots for the purposes of the agreement it will be required to dispose of those lots to the company at a nominal price. That does not seem to be in order, because it could cost the Government a lot of money to resume the lots, and it would lose a great deal of money if it was required to sell the lots at a nominal cost.

Although under the agreement the company is required to do absolutely nothing, the Government is tied up completely in the event of the company complying with certain conditions. I assume it was intended that honourable members should be sympathetic towards such companies when the Minister explained that they had expended a great deal of money in research on the iron ore deposits. Like my leader, I view that expenditure as part and parcel of the business of those companies. As with oil companies and similar companies, they are perpetually spending money on their search for oil or minerals to protect their undertakings. The expenditure of £300,000 on a prospecting area should not be used as a reason for extending great sympathy to the companies.

When one examines the royalties which are to be paid for the ore which the companies will sell, it appears they will get the iron ore very cheaply in comparison with the price paid by B.H.P., which is required to process and to use the ore within Australia. When B.H.P. leased Cockatoo Island, Koolan Island, and part of Irvine Island in Yampi Sound, the royalty charged under the agreement was 6d. per ton, but as a result of the decreased value of money that company voluntarily increased the royalty to 1s. 6d. per ton about nine or 10 years ago. Since then the purchasing power of money has decreased further, but the companies involved in the iron ore agreements are to pay only 1s. 6d. per ton.

The Minister may tell us that the companies will pay 6s. per ton for direct export ore; that is, ore which will not pass through a half-inch mesh and which contains not less than 60 per cent. of iron. If the deposits in the Pilbara are similar to the deposits at Yampi there will not be very much of that grade of ore, because the deposits at Yampi are very similar to loaves of bread. Once the crust is removed —that is, the solid crust in rock form— the granulated ore which will pass through a half-inch mesh, and which is richer in iron content than the crust, is found. The crust is mixed with dirt and vegetation and is not as rich in iron content.

If the deposits contain iron ore in granular form it will all pass through a half-inch mesh and will carry a royalty of 1s. 6d. per ton, which is equivalent to the royalty paid by the B.H.P. on ore which has to be processed in Australia. In that respect the agreement which the Government has made is more generous to the companies I have mentioned. If my understanding of the Bill is correct, provision should have been written into agreements of this kind for the royalty to comply with the value of money at the time when the ore is likely to be exported.

The Hon. A. F. Griffith: Don't you think that is the case with the royalty fixed on the f.o.b. price?

The Hon. H. C. STRICKLAND: The f.o.b. price could fall.

The Hon. A. F. Griffith: And it could rise.

The Hon. H. C. STRICKLAND: It could. It would be much better if the minimum royalty of not less than 1s. 6d. per ton was

bound up with some form of protection. It is a wonder that no reference has been made to the change to decimal currency. I expect when the changeover occurs one comprehensive Bill will be introduced to deal with the situation. In respect of the royalties which are to be paid, it would enlighten the House if the Minister could tell us why the ore is to be sold and exported so cheaply. It seems to be amazing that these companies can buy and export ore from this State as cheaply as a company which is domiciled in Australia, and in which there are 80,000 Australian shareholders. It is amazing they can get away with it; but there it is.

The Hon. A. F. Griffith: There it is not.

The Hon. H. C. STRICKLAND: There it is written into the agreement. No matter what the Minister may try to tell us, it is in the agreement. The royalty of 6s. per ton proposed for the bigger grade of ore might not eventuate. It is only to be paid for a limited quantity, because the finer the ore is crushed the more economic it becomes for handling in transport, in loading, and in unloading. It would be the aim of any company to operate as economically as possible in this respect.

There is not the slightest doubt that if a certain quantity of ore for which 6s. per ton royalty is to be paid is available, then certainly there will be a much larger quantity for which 1s. 6d. per ton is paid. In 15 to 20 years' time the royalty of 1s. 6d. per ton might be equivalent to two-pence a pound.

When one realises that this Bill, like the ones to follow, will tie up immense deposits of rich iron ore, one can only come to the conclusion that the Government has made a great mistake in arriving at long-term agreements with the companies. That will not help to develop the empty spaces in the north of this State in the immediate future; nor will it help in the distant future.

I look upon this proposition as being comparable with the oil leases in the north. As I have explained to this House on more than one occasion, we are not getting the expenditure to which we are entitled in relation to the search for oil; and I feel we are going to be in the same position in regard to the production and export of iron ore, particularly when it is tied up in very large quantities to too few companies and those companies are controlled from overseas. The Minister will tell us that the Colonial Sugar Refinery has a share in this; but it has not the controlling share, and nothing like it.

The Hon. A. F. Griffith: It has 45 per cent.

The Hon. H. C. STRICKLAND: Yes, 45 per cent. If it had a 49 per cent. share it would be no better than if it had a 10 per cent. share. The decisions will be made by the senior partner with the 55 per cent. share. That is not at all good for Western Australia. In fact it is very bad. I would like the Minister—because he must have a great knowledge of the position—not to overlook my previous request to inform us of any connections between the companies who are signatories to this agreement and companies already supplying iron ore in the world markets. As Minister for Mines, he must have a lot of knowledge in connection with this matter. If he has done his job as he should have done it, he will have made a thorough investigation into the ramifications of possible cartels or combines, and I ask him to tell us something about it.

It seems to me that if Mr. Devine's report in *The West Australian* is correct—and as Mr. Wise said, the report has never been denied—then there must be some connection between the contracts due to expire in 1973 with other countries and the companies interested in our huge deposits. Therefore I ask the Minister to give us all the information he possibly can. He has been to Tokyo and consulted with the Japanese on the question and he should know exactly the position. Parliament is entitled to know—as is the public—every detail in connection with this immense proposition.

A very dangerous situation indeed could develop. We could have our iron ore tied up for 20 years without any substantial movement of tonnage from those deposits. Then, of course, we could miss markets; and steel might not be in great demand in 20 years' time. One never knows, with the new metals which are coming more into daily use in the manufacture of various goods, what will happen.

Although I do not agree with the type of agreement which has been decided upon, I do believe that something should be done, and must be done, to exploit the iron ore deposits we have in this State, and particularly those in the north. For that reason I am supporting the Bill. However I do hope that honourable members will give serious consideration to the amendment to clause 4 of the Bill—not the agreement—which the honourable Mr. Wise has indicated he intends to move. It is most important that Parliament be given other opportunities to discuss this agreement, or any other agreement. If the Bill is passed in its present form, this will be the last occasion on which Parliament will ever be able to discuss these matters, unless a Bill is introduced again to vary the agreement.

The Hon. F. D. Willmott: It would not be the first time if it were.

The Hon. H. C. STRICKLAND: The honourable member said it would not be the first time. However, on this occasion

we must remember that the Mount Newman deposits cover some 758 square miles, and that is a huge lump of country containing iron ore. B.H.P.'s deposits in Yampi Sound would not, I think, cover 100 acres all told on the three islands; and they were shown on a diagram and plan attached to the agreement.

The Hon. A. F. Griffith: So are these. They have been tabled.

The Hon. H. C. STRICKLAND: I said a diagram and plan attached to the agreement.

The Hon. A. F. Griffith: You have them on the Table of the House.

The Hon. H. C. STRICKLAND: That is not attached to the agreement.

The Hon. A. F. Griffith: You have obviously not read the agreement.

The Hon. H. C. STRICKLAND: I am talking about a diagram and plan as part and parcel of the Bill, being attached to it, so that honourable members know what they are doing. Although Parliament may have agreed in the past that it will never interfere with an agreement again, I think that the extent of the deposits embodied in this agreement justify Parliament always having a say about them. Clause 4 takes way for ever any opportunity for a private member or Parliament itself to voice an opinion, unless a Bill is introduced to vary the agreement.

This is a very dangerous situation, particularly when a company is encroaching upon an already established townsite. It is a good thing to know that towns develop, but we must always protect the interests of those who are already in the towns and see that they receive just compensation for anything they may lose. That is my opinion in regard to the question that worries me most.

I feel we should have an Act similar to the Commonwealth Constitution under which the Commonwealth cannot dispossess anyone of his property unless on just terms. The Commonwealth also has an Act concerning land acquisition embodying the same principle and setting out much the same machinery as we have in our Public Works Act. But it is a different proposition in this State. Although under the metropolitan region plan, people must receive the current value for any land resumed, that concerns only the region around the city. No protection is given in any way to those in country areas; and that is one point I think the Minister should discuss and let the public know exactly where they stand.

THE HON. A. F. GRIFFITH (Suburban —Minister for Mines) [7.55 p.m.]: I found the two speeches made on this Bill very interesting to listen to. I found them interesting because they gave me an opportunity—and I am sure they gave other honourable members an opportunity—to make a very obvious comparison.

On the one hand there was an objective speech by an honourable member who is used to dissecting what is in a Bill and picking out the good and bad points in it and letting us hear in no uncertain terms what he thinks. But the second speech was comprised entirely of criticism, or almost entirely of criticism.

The Hon. H. C. Strickland: My opening remarks were that I was criticising.

The Hon. A. F. GRIFFITH: We are in agreement then.

The Hon. F. R. H. Lavery: Is this not a House of review?

The Hon. A. F. GRIFFITH: I am not saying I object to any criticism of a measure introduced.

The Hon. F. R. H. Lavery: Sounds like it.

The Hon. F. J. S. Wise: It certainly did not consist mainly of criticism.

The Hon. A. F. GRIFFITH: It consisted very largely of criticism. It seemed to me that the honourable Mr. Strickland for some reason—and I hope I am wrong about this—wanted to create some sort of impression that there was something to be feared about this agreement.

He told me I was not prepared to table the plan in connection with the development of the town and the areas of Port Hedland and the port. The honourable member knows that yesterday, in answer to a question, I gave the reason why I was not prepared to table the plans. It is, as the honourable Mr. Wise said, because we do not want to delude the people in Port Hedland. We do not want to lead them to believe that something is going to happen that might not happen. The plans are in my office and have been for 48 hours; and the honourable member could have had a look at them the same as I believe an honourable member in another place has done. The reason we do not want to table the plans is because there is nothing firm about them.

The Hon. H. C. Strickland: But there are plans?

The Hon. A. F. GRIFFITH: Yes; and I have offered to let the honourable member see them.

The Hon. H. C. Strickland: That is in confidence. We want the people to see them.

The Hon. A. F. GRIFFITH: Has the honourable Mr. Strickland received any complaints from the Shire of Port Hedland regarding the attitude of the Government in connection with this matter?

The Hon. H. C. Strickland: Nothing from the shire at all.

The Hon. A. F. GRIFFITH: Nothing! That is interesting. The reason is that the Shire of Port Hedland has been kept informed, in a manner befitting the situation, of what is going on.

The Hon. H. C. Strickland: Has it a copy of the plans?

The Hon. A. F. GRIFFITH: No, not that I am aware of; but, nevertheless, it has been consulted and, as I told the honourable member yesterday, it is not dissatisfied.

The Hon. H. C. Strickland: Post it the plans and it may be.

The Hon. A. F. GRIFFITH: Let me begin at the beginning. Many mineral titles are issued by the Mines Department and they do not require agreements of this sort, but a mineral title of this nature does require an agreement for the plain and simple reason that it obligates the companies in the course of time to build railways, townsites, wharves, schools, water supplies, and a dozen and one other things costing in the aggregate many millions of pounds. When a company wants to go on to the market, or it wants to advance itself in some way, or it wants to get funds to promote a project of this nature, it must have some form of agreement with the country in which the mineral deposit lies.

The Hon. H. C. Strickland: It sounds like a Redpath venture.

The Hon. A. F. GRIFFITH: Of course, it is silly to say that. It is just plain silly.

The Hon. H. C. Strickland: That's what you think.

The Hon. A. F. GRIFFITH: I think it is. The year before last the agreement with Mount Goldsworthy was presented to Parliament, and then we had another with Hamersley Iron Pty. Ltd. I did not hear that sort of criticism in connection with those two projects. I did not hear a question in relation to what those companies were going to do; nor were they criticised to the same extent as this company has been. For some reason there seems to be in the mind of the honourable member a suspicion that all is not well.

As I said, it is necessary for companies of this nature to have an agreement. In respect of the composition of the company that owns this particular deposit, which is Mount Newman Iron Ore Pty. Ltd., it was formed on the basis, as I said when I introduced the Bill, of 55 per cent. capital from American Metals Climax and 45 per cent. capital from the Australian company, the Colonial Sugar Refinery. But the company can raise the money in whatever form it wishes. I hope that some of it will be raised on the local market so that the people of this State can participate, if they wish to do so, by the purchase of shares. But I think we are putting the horse before the cart, a little bit—

The Hon. F. J. S. Wise: Surely that is where the horse ought to be.

The Hon. A. F. GRIFFITH: Yes, that is where the horse ought to be.

The Hon. H. C. Strickland: You have the cart before the horse.

The Hon. A. F. GRIFFITH: The simple explanation is this: This company, along with a number of others, was given a number of temporary reserves in which to prospect for iron ore and in some cases the areas were larger than the 758 square miles mentioned by the honourable Mr. Strickland. But honourable members should not let him lead them into believing, as I think he did, that 758 square miles was the area the company was going to mine, because that is not so.

The Hon. H. C. Strickland: That is what is in the agreement.

The Hon. A. F. GRIFFITH: It is not in the agreement.

The Hon. H. C. Strickland: It is on the plan tabled.

The Hon. A. F. GRIFFITH: If my memory serves me correctly this is what is in the agreement—

> As soon as conveniently may be after the commencement date the State shall—
>
> (a) After application is made by the company for a mineral lease of any part or parts (not exceeding in total area 300 square miles) . .

Not 758 square miles as a mineral lease. If the honourable member understands these matters, as I am sure people like the honourable Messrs. Dellar, Heenan, Garrigan, and Bennetts do, he would know that it is common practice in mining for a company to get a considerable area under what is called a temporary reserve. When the company has carried out prospecting over this area it gets down to the real base of the deposit; and that is what these people will do. That is what is provided for in the Hamersley agreement. So do not let us take a lot of notice of this sort of thing because this is cold water that is being poured on this agreement.

The Hon. H. C. Strickland: Rubbish!

The Hon. A. F. GRIFFITH: Ultimately these people will not have 758 square miles but 300 square miles.

The Hon. H. C. Strickland: What are the areas on the map?

The Hon. A. F. GRIFFITH: I will explain that to the honourable member. They are temporary reserves.

The Hon. H. C. Strickland: It is shown as 758 square miles.

The Hon. A. F. GRIFFITH: But they are not mining leases; they are areas over which initial prospecting in respect of this agreement is being done, and will continue to be done. They are not mining leases.

The Hon. H. C. Strickland: But nobody can trespass on them.

The Hon. A. F. GRIFFITH: Not for the time being, because the company has been given a right to prospect in this area in the same way that any other mining company expects to get an exclusive right to prospect for a particular mineral if it is given a temporary reserve for that mineral. What on earth would be the value of a temporary reserve unless the company were given that right? What good would it be, Mr. Dellar? No good at all. So do not let us talk like that, because the goldfields members know the position. The honourable Mr. Strickland said that clause 3 of the Bill relieves the Government of the responsibility to produce a Bill for the railway. That is true.

The Hon. H. C. Strickland: I did not say that.

The Hon. A. F. GRIFFITH: We had this sort of discussion some time ago when we introduced the Mount Goldsworthy Bill and we found ourselves in the position where we had to stop because we had, according to your ruling, Sir, and the ruling of the House, made a mistake. We had to have a railway Bill; and you will remember, Mr. President, that I did undertake to hold up the passage of the Mount Goldsworthy Bill in order that a railway Bill could be introduced.

The Hon. F. J. S. Wise: It is much better than rushing things.

The Hon. A. F. GRIFFITH: A terrific amount of—I will not say panic because there was no panic about it—energy had to be expended by the company to try to give us some sort of a plan showing the railway project. Honourable members will recall that the company produced the plan and I said at the time that it must be appreciated that the railway, when it was built, may not conform strictly to the plan and we asked, I think, for a greater deviation than normal to be allowed. However, I am not sure on that point but I think that was what was done.

The Hon. L. A. Logan: It was five miles.

The Hon. A. F. GRIFFITH: Here is a different situation. While the company has the railway in mind, and while it may have carried out preliminary surveys, there is no definite plan for the railway as yet, or at least to the best of my knowledge there is not. So we cannot produce a Bill to Parliament showing the railway, or indicating that it will be constructed from point A to point B along such-and-such a route.

The railway will be constructed and paid for by the company, but we cannot fulfil the terms of section 96 of the Public Works Act. Therefore I think it is reasonable that this Bill should contract the company out of that requirement.

In relation to clause 4, perhaps when we are in Committee I can give some detailed information in respect of the necessity to have this clause worded in the way paragraph (d) is worded in the measure at the moment. The main point is that the proposals the company makes under this Bill have to be submitted to the Government and approved by it. If the Government does not approve then the parties have to go to arbitration, and the decision of the arbitrator is one that the parties accept. Neither House of Parliament could disallow some regulations that were tabled if at some later stage they were the subject of arbitration. Therefore in this instance it is necessary to have a provision such as is contained in the Bill.

What the immediate future is likely to be in respect of iron ore contracts, and what the position will be after that I cannot say at the moment. For the reasons I have mentioned these companies must have a basis upon which to negotiate and operate. They have spent many hundreds of thousands of pounds and some of them have not as yet got any contracts. Up to date the Western Mining Corporation is the only company that has a firm contract. However, that is what is known in private industry as a calculated risk. It is a risk that people with experience and knowledge, and a willingness to go into this sort of project, are prepared to take.

We know that probably they cannot all get contracts; we wish they could. We know also that the immediate market for the sale of iron ore from Australia, and from Western Australia in particular, is Japan. We have great hopes also that the possibility for the further sales of iron ore will extend to other parts of the world.

When I was in Japan on the last occasion, which I think was over two years ago, I had many talks with Japanese steel interests. It is true, as the honourable Mr. Wise said, that they do buy as a cartel. That is the way they buy. They get together and an agent buys for them all. I talked to them about the prospect of pellets going from Western Australia to Japan, but at that time they had not given serious consideration to the use of pellets.

However, in two years the thinking of steel producers throughout the world has altered to a large extent. Everybody to whom I have talked and who knows this business—the professional people connected with it—tell me that pellets are the coming form of iron ore; and we have in Western Australia, I am happy to say, greater prospects now of discovering oil

and gas. If we can find on these shores sufficient quantities of gas or oil which will give us the fuel to provide the necessary heat treatment for the direct reduction processes that the scientists of the world are working on and trying to develop, then surely the future of Western Australia is indeed very great.

But we cannot do these things overnight and I have never suggested that we could. It has taken us some time to arrive at the present stage, and the news that one of our companies got a 5,000,000-ton contract is very good, even though it was referred to by one member of Parliament as a wheelbarrow contract. It would be a pretty big wheelbarrow that could carry 500,000 tons a year for 10 years. With that quantity of iron ore being shipped from the port of Geraldton what will it mean to the town? The honourable Mr. Dellar said he wanted to see it being shipped from Geraldton. I am sure the honourable member for Pilbara would like to see it being shipped from Port Hedland, as I am sure the three honourable members in this House who represent the north province would like to see it being shipped from that port, just the same as we would.

The Hon. H. C. Strickland: We have said so.

The Hon. A. F. GRIFFITH: Is this a bad agreement? I do not think it is. It is an agreement which obligates this company, admittedly with certain reservations. It has *force majeure* clauses in it under which, in certain circumstances, the company can be relieved of its obligations. But would the honourable Mr. Strickland like to enter into a contract under which £40,000,000 or £50,000,000 capital was involved if he had no chance of being relieved of his obligations under certain circumstances? The answer to that is obvious.

The Hon. H. C. Strickland: Give me the £40,000,000 first.

The Hon. A. F. GRIFFITH: I accept that statement in the way in which it was made. Of course, nobody would expect this or any other company to say "Right. I will enter into these contractual arrangements to spend a large sum of money whether I get a contract or not." It is true to say that the success of this company's operations will depend upon its ability to sell its product. But is not that true of any type of manufacturing? Would not that be true in the case of any mineral mined in this country, or anywhere else in the world? It is true in the case of gold. Although we get a rotten price for it, we have a ready market on which to sell it.

I could relate the minerals in this State that could get off the ground today, whereas yesterday, in relative terms they could not have done so, because the price was so bad. Two such minerals are lead and tin. They are getting off the ground today because the world prices for lead and tin have improved so much. So the future of this project, and the future of the Pilbara, will lie in the ability of these companies to sell the product they are going to mine.

The Hon. J. G. Hislop: That does not only relate to minerals but to everything.

The Hon. A. F. GRIFFITH: That is so. It applies to every sphere of life, and it is inconceivable to me that any other attitude can be adopted. I feel sure we have been able to introduce into Western Australia the sort of people who will undertake this type of project; who will pursue it to the best of their ability to secure contracts. Without any hesitation or any excuse I hope that they do make a reasonably good profit, because so long as they are making a profit, and so long as they are paying a dividend to their shareholders, then the people they employ whether they be 5,000, or some lesser number, will have security in their employment and, after all, that is very important in the scheme of things.

In respect of the royalty they will pay to the State, I would point out that it is not an important thing. They can only pay royalty if the whole project is a success. It is of no use saying to them, "Let us get down to this and make you chew your finger nails and get down to the last penny on the question of royalty. Let us bleed you to every extent we can so that your operation is a marginal one."

That, I suggest, is not the way to do business. The way we should do business is to get a reasonable royalty from these people, as we did in the first Mount Goldsworthy agreement, as we did in the Hamersley Iron ore agreement, as we did in the Tallering Peak iron ore agreement, and as we are going to do in this agreement.

The Hon. H. C. Strickland: Aren't you going to revise those agreements?

The Hon. A. F. GRIFFITH: The honourable member knows we are, because I introduced legislation for that purpose.

The Hon. R. F. Hutchison: Has Western Australia got an interest in the agreements?

The Hon. A. F. GRIFFITH: It would be silly of me to say anything else but "Yes" to that interjection. Of course Western Australia will have a great interest in it. The rates of the royalties that will be paid are set out in the agreement. Certainly they have been revised. In the case of the Hamersley agreement, the rate of royalties set down in the original agreement, are to be reduced, because in these agreements it will be found that there is an undertaking by the State not

to give better terms or conditions to one company than it does to the others. Surely that is reasonable!

The Hon. H. C. Strickland: One breaks the other down.

The Hon. A. F. GRIFFITH: That is not so.

The Hon. H. C. Strickland: It is a fact.

The Hon. A. F. GRIFFITH: It is not a fact. The honourable member suggested that because fine ore was ore that would go through a half-inch mesh we were going to give away something. Has it dawned on the honourable member that fine ore costs less than the direct shipping ore? The Yampi Sound ore is friable ore. When it is taken from the ground it breaks up. It is fine ore. If that were sold to Japan they would not get as much for it as for direct shipping ore, because that is the ore Japan is looking for in its blast furnace operations.

The Government has to do two things on the question of royalties. First, it has to get the royalties on the direct shipping ore, because this is the ore that is going out of the country. The Government then has to reduce the royalty on the ore that is to be used or treated in the country —in Western Australia, on Western Australian ground, because this will give us the industry we are lacking. Because fine ore has to be treated it cannot be shipped to the same extent and at the same price as direct shipping ore. There is an incentive reflected in the royalty which says, "If you treat it here and give employment to our people in Western Australia, you will have it on a different basis."

B.H.P. takes its ore from its leases and puts it into its own blast furnaces. B.H.P. is not exporting it overseas. This will be an entirely different operation. I repeat, that we cannot expect to get this development overnight. I agree with the honourable Mr. Wise that we must not delude the people, but I daresay the people of Western Australia will react to this sort of thing in the same way as they have recently reacted to the oil market.

The strikes of oil in Western Australia over the last few years have not sent the market wild. It did so a few years ago, but I am glad to say it has not done so on this occasion. The people of the State will accept this type of development as it is taking place, with the realisation that it will not happen overnight; with the realisation that once one company, two, or more, get contracts for the sale of their minerals, this is when their work must really start.

The Hon. R. Thompson: But from the Press publicity you would think all the iron ore in the north-west had been sold.

The Hon. A. F. GRIFFITH: It depends upon the complexion you want to put upon it.

The Hon. R. Thompson: But the public does not know.

The Hon. A. F. GRIFFITH: But the honourable member does, and the public would not put any different complexion on it.

The Hon. R. Thompson: We are in a position to know, but the public is not.

The Hon. A. F. GRIFFITH: I am sure that if the honourable member walked down the street and asked anybody whether there were millions of tons of iron ore sold, that person would know the answer. The public would know if a company had a contract of sale. When the contracts—whether they be one, two, or any other number—were signed, then the work of the companies must start in earnest. They must then construct their towns, their railways, their ports, their houses, their water supplies, their schools, and every other single thing that goes into the make-up of such a project. This will all be paid for by the companies; they will have to raise the capital to do this—they will have to raise it in millions of pounds, as the honourable Mr. Wise has already told us.

Would it not be rather foolish if these companies were of a type that would say, "We will sit down and do nothing until we get a contract of sale, and when we get a contract of sale we will start proving the deposit. We will drill it to see how much mineral we have. We will get all the machinery and equipment there to carry out this part of the exercise"? It would be quite silly. In the three or four years that have gone past a tremendous amount of work has been put in to this sort of thing.

As the honourable Mr. Wise mentioned there are so many pegs all over the north. Perhaps he did not know what they were there for, but it does show that there has been a tremendous amount of activity by people on the ground, and people in the air using helicopters for aerial surveys, mapping, etc., in order to find out what is available. It is a very costly business to put a set of diamond drills on to a field and drill to the extent that these people have done.

If the Hamersley company and the Mount Goldsworthy company are able to secure a contract they will have made a substantial start towards achieving their aim and objective. If they can obtain contracts they can get off the ground; they can start work that will entail a great deal of expenditure as contained in the agreement. We should soberly wish them good fortune in all they are undertaking today. We should appreciate, as I really think we do, the great benefit that can accrue to Western Australia, if a couple of

these companies bring their projects to the point of fruition when they receive their contracts.

While it does appear that Japan at the moment is the only immediate market in which contracts can be secured, the companies concerned are not losing sight of the fact that they are supplying other parts of the world as well. I have read some of the comments made in another place, and I read the comment that was made by the member for the district in which this particular deposit is. He hopes, and I agree with him, to see the iron ore from Pilbara going out from Port Hedland.

One cannot but help agree with him, because personally I am very enthusiastic about this. It can mean so much to Western Australia. I want to see these people succeed, and anything that this Government, or any other Government in the future may be able to do to help these companies, should, I think be done; because the chances of success in an operation like this are to have the type of people we have; people who know how to carry out this operation; people who have experience in various parts of the world.

I cannot tell the honourable Mr. Strickland of the ramifications of some of these overseas companies. It is possible that they own portion of one company or another. I have listened to the story in connection with holding companies and subsidiaries, and I do not know just how far they go in some cases. So far as the scratching of my back is concerned, which the honourable member attempted in a kindly way, I would point out that neither can I forecast the extent to which contracts will be let, or when they will be let. All that I can hope is that they will be worth-while contracts, and that they will be obtained in the not too far distant future.

It is certain that if they are obtained these companies will get off the ground with their project. In the meantime the various government departments will continue to do what they can, as they have been doing now for some time, in an attempt to co-operate with the companies, and to get the companies to co-operate with the Government in the hope that they will get these contracts and start with the work. I thank the honourable Mr. Wise and the honourable Mr. Strickland for their support of the Bill.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (The Hon. G. C. MacKinnon) in the Chair; The Hon. A. F. Griffith (Minister for Mines) in charge of the Bill.

Clauses 1 to 3 put and passed.

Clause 4: By-laws—

The Hon. F. J. S. WISE: I mentioned in the course of my remarks the importance of giving Parliament an opportunity of knowing of any changes in any arrangements and the important variations by rule or by-law within the agreement. I am always averse to arrangements being made which infringe upon or take away the authority of Parliament. The section of the Interpretation Act which means that regulations and by-laws shall be tabled in a certain period is contracted out in this and in other agreements.

Section 36 of the Interpretation Act makes it definite that following the advertising in the *Government Gazette* of by-laws or regulations, and the tabling of such regulations in Parliament, they are open to challenge for a period before they become law in actual fact. I acknowledge that in this agreement, as a new agreement, there is the provision in paragraph (b) of clause 4 that the provisions of section 36 of the Interpretation Act will not apply.

I am also conscious of the fact that when the Mount Goldsworthy agreement was first presented to Parliament an identical provision was included, but it does not appear in the Tallering Peak agreement because it is perhaps of a different nature. The importance now of this principle is made all the more important by the fact that these agreements are to be so elastic—so possible of variation—that Parliament is entitled to know, and the public are entitled to know, what the by-laws and rules which vary the agreements are to be.

The provision within the Interpretation Act which gives to Parliament the right where there is something not rigidly held is a very good one; but by no stretch of the imagination can these agreements now be said to be so rigid that any variation of them is to be not known to the public or to Parliament. We have had it from the Minister that should a substantial variation take place he will advise Parliament in due course of that variation; but that is not sufficient. These agreements are so possible of variation they could be unrecognisable. There is elasticity everywhere, not merely in regard to contractual obligations of quantities, of responsibilities in the construction of harbours, towns, railways, and so on, but every part of the agreement is possible of the widest variation within the scope of the activities.

Although we initially started with the Mount Goldsworthy agreement with this principle in it, I think now, with the wide variations that are possible, we should know something about them. I had little objection to the principle in the earlier Bills submitted—in the Hamersley ore agreement, which is to be amended and

varied by a Bill which is on the notice paper. What are we doing with that? We are making it conform to the wide variations contained in these two—one being repealed and re-enacted, and the other a fresh introduction.

I think the important principle of Parliament being advised of all the variations to this agreement, and of the rules, regulations, and by-laws made within the agreement, should not be a matter of private concern between the Government and the company, but there should be something known to Parliament and the public. I would like to know what the Minister would accept in the way of an amendment; and if I am not satisfied with what he says I propose to move to delete certain words onwards from line 35.

The Hon. A. F. GRIFFITH: Under normal conditions I would agree with many of the points raised by the honourable member. As he has said, this condition is not contained in the Tallering agreement for the very reasons that the things in that agreement were laid down at the time. The agreement said the company would construct a railway line from Tallering Peak to Mullewa and provide trains to go to Mullewa and to Geraldton, and to construct a stockpile area at Geraldton, and so on.

There was no likelihood in that case of a variation; and in the Mount Goldsworthy agreement, as the honourable Mr. Wise said, we have the same type of thing as in this agreement for exactly the same reason; that is, we do not know yet positively what these things are going to be. The whole object of this agreement is to make agreements for the future. The company has to submit detailed proposals in regard to many aspects of the agreement, including the harbour, wharf facilities, the railway, the mining areas, the townsites, and the services and facilities to which it is obligated under the agreement to construct and pay for.

However, the State has the right when it receives any of the proposals in relation to any one of the subjects I have mentioned to require alterations to be made, and if these alterations are not agreed to by the parties they become subject to arbitration. One of the matters will be the terms and conditions upon which third parties use the wharves, railways, and so on. These terms have to be reasonable and provide for any by-laws.

It would not be fair or reasonable to leave the company in the position where it is entirely exposed to a situation where the by-laws it makes could be disallowed here, even before they have been dealt with by the Government. The works the company may set out to construct could be the subject of disallowance. Therefore we are obliged to ask Parliament to leave the subject of alteration to arbitration.

To quote an example, there could be a railway which the company wanted to go in one direction and the Government wanted it to go in another direction. If full agreement could not be reached the matter would be referred to arbitration. This provision is on page 43 of the agreement. We could have the position that in the middle of arbitration or disagreement either House of Parliament could disallow the very basis of the proposition about which both parties are seeking to agree or disagree upon. It is necessary to ask Parliament to allow the Government to contract out of this particular provision.

The Hon. F. J. S. WISE: I am not very satisfied with that explanation as we are dealing with an agreement which in the aggregate will involve the spending of sums that will reach £70,000,000. I think—not because of the fear of disallowance during any negotiations, but because of the importance of this agreement being sanctioned by Parliament in the passing of this Bill—that if it is varied, Parliament should know what is happening. When a new by-law is made or a variation in conditions is agreed to between the Government and the parties concerned it has to be published in the *Government Gazette*. Who reads the *Government Gazette*? A very restricted number of people.

I do not know whether by-laws and the variance of regulations could include the waiving of conditions of other Acts of Parliament. I do not know whether it could infringe upon the Mining Act itself.

The Hon. A. F. Griffith: I do not know how you can change an Act of Parliament with a regulation.

The Hon. F. J. S. WISE: This Government has done it with the Native Welfare Act. There is no doubt about the Government doing it if it wished to, and the law being unchallenged for several months of the year before Parliament met. I asked whether the Mining Act could be varied by regulation.

This has an association with the Mining Act because of the conditions contained in it. Could there not be some arrangement to vary the conditions and circumstances of the Mining Act which provides, in its regulation making powers, for its own variation? The present arrangement is not fair to Parliament, because the rights of Parliament are being filched away year by year. I would like to hear Mr. President speak on this subject, because he has always been a great champion for

the rights of Parliament. I will test the feelings of this Committee by moving an amendment as follows—

Page 2, lines 36 and 37—Delete paragraph (d).

The Hon. A. F. GRIFFITH: I hope the Committee will not agree to the amendment. I have already explained the necessity for having both the company and the State in a position where one of the by-laws or a number of the by-laws may be varied by either agreement or arbitration. It has been suggested that some minor alteration may be made to the agreement through the provisions of paragraph (d) of clause 4.

If honourable members refer to page 41 they will find, under the heading "variation", the very thing which the honourable Mr. Wise said the agreement contained; namely, a wide power to vary the agreement in some respects. If it is agreed that this power is already contained on page 41, what objection is there to the parties to this agreement having the ability to appoint an arbitrator to determine a point at issue?

The honourable Mr. Wise said that the clause appears in the Mount Goldsworthy agreement. It is also in the Hamersley Range agreement. I venture to suggest that any government which makes a substantial alteration to an agreement would bring the agreement back to Parliament in the same manner as is being done in connection with the next item on the notice paper. The Mount Goldsworthy agreement had Depuch Island as the port site; but the company, after investigation, wanted the port site changed to Port Hedland.

It was said at the time that if any substantial alteration were made to the agreement it was hoped that the Government would bring it back to Parliament and acquaint Parliament with the alteration. I recall saying that this would be the natural course of action. The Mount Goldsworthy agreement has been repealed and re-enacted. Had we simply amended it, there would have been more difficulty in understanding it.

If the Committee agrees to the amendment the progress of the agreement could be very badly disturbed. If either House disallowed a regulation it could have a marked effect on the progress of the agreement. We could destroy much of what had been done by disallowing a regulation. I would point out that the control of regulations of any kind under any Act are not usually based on an agreement between two parties, and there is usually no arbitration between the parties. In this case, the company is obliged to submit to the State its proposals, and the State can either accept them or say that it wants certain variations.

If there is a failure to agree on the basis of variation the matter could be determined by arbitration under the arbitration clause on page 43 of the agreement. If the by-law were disallowed in the meantime, it might prejudice the operations of the company. I hope the Committee will do the right and proper thing in relation to by-laws which are made and that it will not accept the amendment.

The Hon. H. K. WATSON: Section 36 of the Interpretation Act provides for two distinct functions. Subsection (1) of section 36 provides that regulations shall be published in the *Government Gazette* and shall be laid before each House of Parliament. Subsections (2), (2A), (3) and (4) contain powers for either House to disallow regulations. It is not proposed to eliminate the application of these subsections, but, for a reason which is not clear to me, it exempts the regulations from being tabled in the House.

The Hon. A. F. Griffith: If they are tabled, they are subject to disallowance.

The Hon. H. K. WATSON: No. The position is that the by-law would be tabled for general information but would not be subject to disallowance. This matter was discussed last year. We included a provision in one of the agreements to the effect that the agreement could be varied without the necessity of coming to Parliament for every minor variation. There was also a ruling in relation to housing. It was decided that although certain houses were to be erected for certain people for certain purposes, it would be more convenient if they were erected for other persons and for other purposes. That explanation was given in connection with an earlier agreement.

I hope that explanation was not simply drawn out of the air. It was given as a clear illustration of why the Government and the company should not be bound to an agreement, and the agreement could not be varied unless it was brought back before Parliament. This House agreed to the proposition that if a substantial variation were made, then Parliament would be acquainted with it. It is not clear to me why the Minister wants to exclude the whole of section 36. He would achieve his purpose by excluding subsections (2) onwards.

The Hon. F. J. S. WISE: In my opinion the thought expressed by the honourable Mr. Watson is the sort of thing which would satisfy Parliament. I am not concerned about the disallowance. I am concerned that Parliament should know what is happening. I would be quite satisfied if subsection (1) of section 36 of the Interpretation Act could be made to apply. I have a firm belief in things being done properly; and the proper thing to do in this matter is to keep the public advised

through Parliament. I would be satisfied if the Minister would agree to redraft paragraph (d) of the Bill so that its application would be in accordance with subsection (1) of section 36 of the Interpretation Act.

I think Parliament is entitled to know—and to know not by the information being in the *Government Gazette*, but to know as an entity of its own right; the right of Parliament itself.

The Hon. A. F. GRIFFITH: I do not want to appear to be in an unco-operative state of mind. What I do want to know is that by doing this the agreement will not be in any way prejudiced. Furthermore, we have the situation of two agreements which have been passed where this has apparently been all right.

The Hon. F. J. S. Wise: Yes, without cancelling out of all arrangements. The term I used was, I think, "generous in its flexibility." There is no limit to it. Former agreements were not like that.

The Hon. A. F. GRIFFITH: To which clause are you referring now?

The Hon. F. J. S. Wise: I am referring to the elasticity in almost every clause in the agreement.

The Hon. A. F. GRIFFITH: Of course, the clauses in the agreement are not alterable. We do not seek to alter anything in the agreement. The power of variation is in the agreement now with respect to certain things. But, this is not a power of variation, this is a situation where the company gives notice that it is going to do something, and it submits the proposal to the Government and the Government disagrees. The company holds out, and some decision has to be made. In this case, the arbitrator is the person who makes the decision.

The Hon. F. J. S. Wise: But that is not wholly related to this, and the Minister knows it.

The Hon. A. F. GRIFFITH: It is wholly related in this respect, that the by-laws are made. Section 36 of the Interpretation Act states that the Governor may make by-laws and they shall be published in the *Government Gazette*. Whilst it is agreed that everybody does not read the *Government Gazette*, the by-law does receive publicity and it becomes public knowledge. The by-law then takes effect and it might prescribe penalties. What we do not want is to have the agreement subject to cancellation.

The Hon. F. J. S. Wise: I agree.

The Hon. H. K. Watson: Everyone agrees on that point.

The Hon. F. J. S. Wise: We want Parliament to know.

The Hon. A. F. GRIFFITH: Parliament will know because it is published in the *Government Gazette*.

The Hon. F. J. S. Wise: Is there any member of Parliament who could name three items from the last 10 *Government Gazettes?*

The Hon. A. F. GRIFFITH: I cannot answer for other honourable members.

The Hon. L. A. Logan: The information is available to the Press, once it is published in the *Government Gazette*.

The Hon. A. F. GRIFFITH: It would mean that in addition to making the agreement public knowledge, we would give Parliament the normal power to disallow it.

The Hon. F. J. S. Wise: No.

The Hon. A. F. GRIFFITH: Yes.

The Hon. H. K. Watson: That is not suggested.

The Hon A. F. GRIFFITH: I suggest that I be given an opportunity to clarify this point. I do not want to obstruct, but I want to be sure, and I do not want anything to go wrong with the agreement.

The Hon. H. K. WATSON: I think that the Minister's fears would be satisfied if he left paragraph (d) as it is and paragraph (a) were amended to read, "shall be published in the *Government Gazette* and shall be laid upon the Table of each House of Parliament."

The Hon. A. F. Griffith: If that course is followed the agreement is subject to disallowance.

The Hon. H. K. WATSON: It is not subject to disallowance. Paragraph (d) declares that it shall not be subject to disallowance.

The Hon. R. C. Mattiske: Perhaps the *Goverment Gazette* could be laid upon the Table of the House.

The Hon. A. F. Griffith: That might be a healthy solution.

The Hon. F. J. S. WISE: I think the solution has been found by the honourable Mr. Watson. I think the feeling of this Committee is that it is entitled to know and desires to know; and in addition we are, I think, involving ourselves in some respect in the rights and authorities of Parliament. We are passing so many things we cannot disallow once they are passed. We are giving such a wide variation that we have no chance of altering the things allowed in this agreement. We want to know what is happening.

The Hon. A. F. GRIFFITH: My attention has just been drawn to the fact that on page 8 of the Bill the State has accepted the obligation to introduce and sponsor a Bill in the Parliament of Western Australia to ratify this agreement and endeavour to secure its passage prior to the 15th day of November, 1964.

The Hon. F. J. S. Wise: We knew that was there. The honourable Mr. Strickland discussed it with me today.

The Hon. A. F. GRIFFITH: This could have been dealt with last night if it had not been so late. However, we had done a fair day's work.

The Hon. F. J. S. Wise: I didn't say a word about it yesterday.

The Hon. A. F. GRIFFITH: I would like an opportunity to consider the matter and see if a suitable amendment is available.

The Hon. F. J. S. WISE: May I suggest that when considering this amendment, the Minister have a look at the Mount Goldsworthy agreement and the Hamersley agreement? Those agreements contain similar wording.

Progress

Progress reported and leave given to sit again at a later stage of the sitting, on motion by The Hon. A. F. Griffith (Minister for Mines).

DOOR TO DOOR (SALES) BILL

Receipt and First Reading

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

IRON ORE (MOUNT GOLDSWORTHY) AGREEMENT BILL

Second Reading

Debate resumed, from the 4th November, on the following motion by The Hon. A. F. Griffith (Minister for Mines):—

That the Bill be now read a second time.

THE HON. F. J. S. WISE (North—Leader of the Opposition) [9.13 p.m.]: This Bill is to provide a substitute agreement for the one which was passed in 1962-63. The new agreement gives a much wider scope for consideration of variations in many parts if the circumstances warrant. That is to say, the company is not to be so rigidly held to the production of a certain tonnage. It is not necessarily to be held to quantities to be available within a certain period. The agreement provides for fairly wide variations in many parts, and it has been brought into line with the new agreement with the Mount Newman company.

The aspects of the need for companies of this strength to have the right to continue to hold leases, to do all the planning, and to prepare for export, have, during the debate on another Bill, been principles which this House has shown little tendency to challenge. Therefore, the principle to give latitude while sales are being canvassed is one which we appear to accept.

The tenor of the debate on the other Bill clearly showed that those of us who spoke to it have a great anxiety for the use of this iron ore in the best interests of Western Australia. We are deeply concerned, as everybody must be, that the development would take place slowly; that even when sales are made, possibly with foreign companies under agreement, there will still be considerable latitude in the timing which has to be observed under this agreement. Indeed, once a sale is made, three years may elapse before the next stage is made positive. If a certain tonnage is not reached within five years of that point it may be varied in a manner which the first agreement with Mount Goldsworthy did not permit. So I think we can be pardoned when we say that the elasticity or the flexibility within the agreement has, as such, been stretched to the limit.

It is giving to the companies who have been fortunate to be in agreement with the Crown a right—as the honourable Mr. Strickland said—for a very long period to have an open cheque for something to sell which is worth many millions of pounds.

All of us were anxious when the first Mount Goldsworthy agreement was presented to this House, to assist in the development through Port Hedland of a very large piece of country in the Pilbara area, with Mount Goldsworthy situated north-east of Port Hedland; and subsequently, in the 1961-62 session, when it was found that Depuch Island—the old part of Balla-Balla—after an intensive survey, was not suitable for the class of ship envisaged as being required for the needs of Mount Goldsworthy, Parliament was asked to vary the Mount Goldsworthy agreement and to give a wider variation in route for that purpose.

Now, of course, this new agreement makes arrangements outside of section 96 of the Public Works Act to the effect that that provision in the Public Works Act does not apply, and therefore the companies may proceed with the construction of a railway not according to, or under the requirements of, the Public Works Act, but under the requirements of this agreement.

The Hon. L. A. Logan: The variation we made for that last one was about five miles, was it not?

The Hon. F. J. S. WISE: Yes, five miles.

The Hon. L. A. Logan: I thought my memory was all right.

The Hon. F. J. S. WISE: Sometimes the Minister's memory is not too bad, but sometimes it has flaws. On making a check, five miles is correct. Of course, under the Public Works Act, the variation is very stringent; it is fixed and one cannot go outside the limit provided, but because of the deviation to take in the hills on the way, Parliament agreed to pass that second Act in that session.

I can see nothing in this substituted agreement which differs in any material way from the principles in the Mount Newman agreement, the subject of the Bill we have just been considering. It is bringing into line all the more generous treatment regarding payments to be made for the ore, the tonnages to be mined, and the periods between export and treatment by pelletising. All these factors are dealt with in this Bill and varied to put both companies, although not on a parallel footing, on a kindred footing. The Mount Goldsworthy company, of course, is one known as the joint venturers, not adventurers. They are people who, jointly, are undertaking this very great responsibility, and their agreement differs from the Mount Newman agreement in which two specified companies are to be in charge.

This Bill also has in its text as a Bill a provision that section 36 of the Interpretation Act shall not apply. It is to be generally hoped that the Minister will not be wrong as to what may be done in that connection.

The Hon. L. A. Logan: I will ask the President to leave the Chair until the ringing of the bells, if you like.

The Hon. F. J. S. WISE: I have little more to say on this. All the measure does is to cancel the old agreement passed in 1963 and reintroduce it in a new form, comparable to, and parallel with, the Mount Newman agreement which was the subject of a debate earlier this evening.

The PRESIDENT (The Hon. L. C. Diver): I will leave the Chair until the ringing of the bells.

Sitting suspended from 9.22 to 9.55 p.m.

THE HON. A. F. GRIFFITH (Suburban —Minister for Mines) [9.56 p.m.]: I think the honourable Mr. Wise and the House would accept the situation if I did not attempt to delay proceedings unduly by making any remarks in respect of the comments made by the honourable member in his second reading speech, for the very reason that in his speech on the previous Bill—the Mount Newman Bill—he did foreshadow that his approach to this Bill would be, in a sense, much more brief than formerly.

This measure, as I have already explained, sets out the alterations made by the parties—the State and the Mount Goldsworthy associates—in respect of the changes, particularly of the harbour site. Whatever else may develop along the line can, I think, be dealt with in Committee.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (The Hon. N. E. Baxter) in the Chair; The Hon. A. F. Griffith (Minister for Mines) in charge of the Bill.

Clauses 1 to 4 put and passed.

Clause 5: By-laws—

The Hon. A. F. GRIFFITH: The position in relation to the making of by-laws under this Bill is identical to the position under the Mount Newman Bill. Therefore, I think it would be opportune if we dealt with the subject matter of this Bill now, and if the explanation I give is satisfactory to the Committee, it should solve the problems attached to the other Bill.

Section 36 of the Interpretation Act lays down the procedures which have to be followed in respect of the making, tabling, and disallowance of regulations. When we were speaking on the clause in the other Bill, I pointed out that the thing which interested the Government most was the fact that the project should not be impaired in any way by the possible disallowance of a regulation.

In order to obviate the possibility of this happening, and to fulfil the other requirements of acquainting Parliament with what is going on, and laying the by-laws on the table so that they can be seen, the suggestion I make is that in respect of clause 5 (d) instead of saying, "are not subject to the provisions of section 36" we add after the word "provisions" the words "of subsection (2)". That will enable the by-law to be laid on the Table of the House but not be subject to disallowance. I proffer this as a suggestion but I shall not move it until Mr. Wise has given his views on the proposal.

The Hon. F. J. S. WISE: I think this answers the requirements of most honourable members. It simply means that if subsection (1) of section 36 of the Interpretation Act is enforced it will be necessary to table the by-laws, which will then be subject to examination but will not be disallowable.

The Hon. E. M. Heenan: They can be criticised.

The Hon. F. J. S. WISE: That is so. If the Minister moves in that direction I will support it.

The Hon. A. F. GRIFFITH: A worthwhile suggestion was made to me a short while ago, but which I will not now pursue, that where a by-law was made, a copy of the *Government Gazette* involved be sent to each member of Parliament who would then immediately become aware of what was contained in the by-laws. My advice is that what I have proposed is the most effective way of doing it. However, as honourable members realise this measure will have to be returned to another place, and if there is any valid objection from there we will be advised

and I hope honourable members will not hold it against me if, in those circumstances, we have to consider changing our minds. However, I feel sure it will be all right. I move an amendment—

Page 3, line 19—Insert after the word "provisions" the words "of subsection (2)".

The Hon. H. K. WATSON: I am anxious to ensure that the Minister does not go any further than he desires to go. Is he satisfied that he is fully protected against subsection (2A)?

The Hon. A. F. Griffith: I am conscious of that.

The Hon. H. K. WATSON: Then I shall not pursue it.

The Hon. A. F. GRIFFITH: I am conscious of the fact that subsection (2A) is there, and it says that by-laws can be amended if a resolution is passed by both Houses.

The Hon. H. K. Watson: Why don't you exclude that as well?

The Hon. A. F. GRIFFITH: I have heard it said that Parliament is supreme.

The Hon. F. J. S. Wise: Subsection (2) is the decisive one. It would not be disallowable if subsection (2) were out.

The Hon. A. F. GRIFFITH: I would not like it to be held against me if there was a valid objection to the amendment in another place. However I am sure this will be all right.

The Hon. F. J. S. WISE: I take it the Minister will advise his colleagues in another place that we in this Chamber strongly believe that the alteration is necessary.

The Hon. A. F. Griffith: I will.

Amendment put and passed.

Clause, as amended, put and passed.

Schedule put and passed.

Title put and passed.

Report

Bill reported, with an amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by The Hon. A. F. Griffith (Minister for Mines), and returned to the Assembly with an amendment.

IRON ORE (MOUNT NEWMAN) AGREEMENT BILL

In Committee

Resumed from an earlier stage of the sitting. The Deputy Chairman of Committees (The Hon. G. C. MacKinnon) in the Chair; The Hon. A. F. Griffith (Minister for Mines) in charge of the Bill.

Clause 4: By-laws—

The DEPUTY CHAIRMAN: Progress was reported on the clause after The Hon. F. J. S. Wise (Leader of the Opposition) had moved the following amendment:—

Page 2, lines 36 and 37—Delete paragraph (d).

The Hon. F. J. S. WISE: I seek leave of the Committee to withdraw my amendment.

Amendment, by leave, withdrawn.

The Hon. A. F. GRIFFITH: I move an amendment—

Page 2, line 36—Insert after the word "provisions" the words "of subsection (2)".

Amendment put and passed.

Clause, as amended, put and passed.

Schedule put and passed.

Title put and passed.

Report

Bill reported, with an amendment, and the report adopted.

Third Reading

THE HON. A. F. GRIFFITH (Suburban —Minister for Mines) [10.12 p.m.]: I move—

That the Bill be now read a third time.

THE HON. H. C. STRICKLAND (North) [10.13 p.m.]: When the Minister was replying to the speeches made during the second reading he did not give any information on the points which I raised and of which I thought he would have had some knowledge. He simply resorted to ridiculing what I had to say and accused me of being suspicious.

If I had any suspicion it would have been caused by the Minister himself because of what he did when he was in Opposition and sitting on this side in 1957. In those days, as honourable members who were here will recall, I was the Minister in charge of the House and I was attempting to have a motion agreed to in this House to support the then Government's application to the Federal Government for an export license for 1,000,000 tons of iron ore to be shipped from either Koolyanobbing or Tallering Peak to Japan at a premium price of £1 per ton royalty. The House did not agree.

We fought very hard, but of course the Government did not have the numbers—Labor governments never have had the numbers in this House. The present Minister for Mines, who was then in opposition, by some unknown, unexplained, and unethical method produced a copy of the Acting Prime Minister's letter to the then

Premier of this State (The Hon. A. R. G. Hawke) refusing the application for an export permit, and stating the grounds for such refusal.

How the present Minister for Mines came into possession of a confidential letter from the head of the Commonwealth to the head of the State of Western Australia in a matter of a few days I do not know. The letter was dated the 12th August, and the honourable Mr. Griffith read it in this House early in September. He never explained how a copy of that letter came into his possession. He read it and used it as a defence, and in opposition to the motion.

The motion only asked that the House support an application for an export license. Sir Arthur Fadden was Acting Prime Minister at the time. That was in September, 1957, and in his very long letter of refusal Sir Arthur Fadden had this to say among other things—

> Your proposal would involve the Commonwealth in amending the Customs (Prohibited Exports) Regulations so as to lift the absolute prohibition on the export of iron ore from Australia, which has stood for almost 20 years. This embargo was imposed in the national interest to conserve our resources of iron ore. As indicated below, the need for such conservation is even greater today than when it was first imposed.

We find that on the 14th September 1961 there was a Press report which was absolutely correct to the effect that Senator Spooner had lifted the lid off the most closely guarded secret in this State—the existence of fabulous iron ore deposits in the Hamersley Range was known only to a select few, and the key was made known in 1952.

So if I had any suspicion it was because the present Minister for Mines was associated with some very strange coincidences, and he apparently had some very strange comrades in those days; because he was supplied with a letter by Sir Arthur Fadden, who was the Acting Prime Minister of Australia at the time, Sir Robert Menzies being out of Australia.

The whole thing was most unethical. I would say it would be unknown in the history of Australian Parliaments for an Acting Prime Minister to supply a member of the opposition coalition party with a copy of a letter which had been written to the Premier of the State, so that it might be used as an argument against a motion which was to assist Western Australia in the export of its iron ore.

We then find that at the end of his term, Sir Arthur Fadden resigned from the Commonwealth Government, and he did not stand for re-election. But what did he do a year or two later? We find that Sir Arthur Fadden's organisation tendered for the Mount Goldsworthy iron ore deposit, and he also tendered for other deposits. I do not know whether he was successful in his tendering or not, but that would not bother me in the least.

So if I had any suspicion in this matter it was the Minister himself who created that suspicion. I think the Minister was unfair. I gave fair criticism of the Bill. I put up some constructive thoughts, not against the agreement, but for the benefit of Western Australia. The Minister however resorted to ridicule, and then accused me of suspicion. So I am entitled to get up and say what I have said on this matter. There was really no suspicion in my mind; all I wanted was elucidation. I never mentioned anything about things being shady. If there was any suspicion it was the Minister who created it.

Question put and passed.

Bill read a third time and returned to the Assembly with an amendment.

IRON ORE (HAMERSLEY RANGE) AGREEMENT ACT AMENDMENT BILL

Second Reading

Debate resumed, from the 5th November, on the following motion by The Hon. A. F. Griffith (Minister for Mines):—

> That the Bill be now read a second time.

THE HON. F. J. S. WISE (North—Leader of the Opposition) [10.22 p.m.]: My remarks will be few in connection with this Bill. A very important aspect arises however which suggests we cannot proceed with the Bill into the Committee stage. There is the need to insert a new clause in the measure to stand as clause 4, before the provision for the schedule. This will provide for the amendment to section 4 which is to be found on page 166 of vol. 1 of the 1963 Statutes. The amendment is to be made to paragraph (d) of section 4. As that cannot be done without some preparation for the drafting of a new clause I suggest that we should not take the Bill into Committee. But that of course is for the Minister to decide.

The main components of the Bill are the variations in the Hamersley Iron Ore Agreement Act to provide in this supplementary agreement form different provisions in the 1963 agreement compared with the conditions of the agreement in the Mount Newman iron ore Bill. So the variations will mean that where any conditions remain as they are in the existing agreement they may not provide an unfair advantage to one company, and so they are altered to enable them to be on a comparable basis. The whole purpose of the Bill is to vary the agreement so that all the conditions are consonant one with the other.

If other honourable members addressed themselves briefly to this Bill it might give the Minister time to draft a new clause for insertion in the measure. If that can be done I will support the move, but it is certainly necessary to amend section 4 of the parent Act.

Whether this will, and it may, assist in collusive and competitive arrangements between three very powerful entities I do not know, but it does present an extraordinary powerful combination of companies holding rights to use and mine and sell this enormous latent asset of the State. It is really an enormous prospect, and is likely, I think, to be associated one with the other. They are all tied up for a long way ahead.

THE HON. A. F. GRIFFITH (Suburban —Minister for Mines) [10.26 p.m.]: As the honourable Mr. Wise said, and as I reiterate from my second reading speech, the purposes of this Bill are to effect changes in the Hamersley Iron Ore Agreement Act, 1963, similar to those made in the Mount Newman agreement legislation. The whole purpose behind this is that it fulfils the spirit of the agreements that have been made by the Government in respect of not giving one company more attractive proposals than the other.

Since in the negotiations in the Mount Newman agreement there were certain things that were varied, it was considered fair and reasonable to give the Hamersley people the opportunity to have the variations that they chose. They had been included in the agreement.

The honourable Mr. Wise was quite correct in saying that the principal Act would have to be amended. The placing into this Bill of a new clause 4 would not be an overdifficult matter. The preparation of it is now in process, and I think we are on the last half dozen words, and in a minute I will be able to move the amendment in Committee. By the time I finish my remarks on this measure the amendment will have been completed.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (The Hon. G. C. MacKinnon) in the Chair; The Hon. A. F. Griffith (Minister for Mines) in charge of the Bill.

Clauses 1 to 5 put and passed.

New clause 4—

The Hon. A. F. GRIFFITH: I move—

> Page 2—Insert after clause 3, in lines 14 to 17, the following new clause to stand as clause 4:—
>
> 4. Section four of the Principal Act is amended by inserting after the word "provisions" in line one of paragraph (d) of subsection (2) the words "of subsection (2)."

If reference is made to the Act, honourable members will find that this agreement will read the same as the other two agreements.

New clause put and passed.

Title put and passed.

Report

Bill reported, with an amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by The Hon. A. F. Griffith (Minister for Mines), and returned to the Assembly with an amendment.

GOVERNMENT EMPLOYEES (PROMOTIONS APPEAL BOARD) ACT AMENDMENT BILL

Second Reading

Debate resumed, from the 5th November, on the following motion by The Hon. A. F. Griffith (Minister for Mines):—

> That the Bill be now read a second time.

THE HON. R. THOMPSON (West) [10.34 p.m.]: This Bill is before us to rectify some things desired by government employees who come under the Promotions Appeal Board. However, one could not applaud this Bill as doing something that the various organisations have wanted. The provisions that they wished to see in the Bill are not in it.

My main objection is in connection with the Minister's speech. He had this to say—

> This is a Bill to amend the Government Employees' (Promotions Appeal Board) Act as a consequence of discussions and conferences which have taken place periodically over the past few years between departmental heads, the Public Service Commissioner, other interested employing departments, the Trades and Labour Council, the Civil Service Association, and various unions.

I realise the Minister is going to say that he is responsible for his notes, but they are not truthful. First of all, the Trades and Labour Council has never been consulted on this matter, and there may be good reason for that, because the Trades and Labour Council has only been in existence for some 18 months. Neither have the unions outside of the Civil Service Association been notified of the contents of this measure. I have letters here that were written to Mr. Davies, M.L.A.; and for the information of the House I think I should read them. The

first was written by the W.A. Amalgamated Society of Railway Employees and reads as follows:—

> We understand that the Minister for Labour, when introducing amendments to the Government Employees (Promotions Appeal Board) Act indicated that the Unions concerned had been contacted and were fully in accord with the contents of the Bill.
>
> This is to confirm my conversation with you yesterday that the first intimation we had of the Government intention to amend the Act during the current session of Parliament was when we read of it in the "West Australian" newspaper on 4.11.64.
>
> To the best of my knowledge the last discussion between the Trades and Labor Council representing the Unions, and the Government, on the matters contained in the amending Bill, took place in September, 1961.

The letter from the Trades and Labour Council is as follows:—

> With reference to your conversation yesterday regarding amendments to the Government Employees (Promotions Appeal Board) Act, this is to confirm that we have had no communication from either the Minister for Labour or Labour Department regarding the amendments which are now proposed in the Bill before Parliament for at least twelve months.
>
> Until you supplied me with a copy of the Bill I was not aware of what amendments were proposed.

The letter from the West Australian Railway Officers' Union reads as follows:—

> This is to advise that this Union has had no knowledge whatsoever that the Government was bringing down a Bill to amend the Government Employees' Promotions Appeal Board Act.
>
> The first knowledge we received was when we read of same in the West Australian newspaper yesterday. This was later confirmed when you were good enough to supply us with a copy of the Bill.

These two major unions and the Trades and Labour Council represent many thousands of workers who could be affected, yet the Minister told us that the measure was drafted in consultation with the various unions. I do not think Parliament should accept statements such as these when, in fact, they are not truthful.

As I said previously, some of the tidying up features of this Bill are quite good: and those I do not criticise. There seems to be some thinking that possibly the Department of Labour and the Public Service Commissioner will not give way and provide for an appeal against those in the Public Service who are above the justiciable salary range. Therefore there is no provision in this Bill for such an appeal; nor is there such a provision in the parent Act. It seems wrong that a person can work his way up through a department in the Public Service and reach a stage where he is on a salary range which debars anybody from making an appeal against that appointment.

To give an illustration, I would point out that in the engineering division a person could hold the position of 25th engineer. I think there are 25 professional engineers employed by the Government; and if the person holds the position of 25th engineer, there would be no right of appeal from anyone in the Public Service against that person's position. Seniority would not come into it because the justiciable salary is the bar or wall through which the Civil Service employees and other government employees have been unable to break.

Only in rare instances can anyone from the Civil Service go to the industrial commissioners of the Industrial Commission for a reclassification. I am now talking about the Civil Service; and I think the professional engineers would be the only ones who have appealed to the Arbitration Court and obtained a decision. They are able to further their cause as far as conditions, margins, etc. are concerned.

I think we would all agree that the permanent head of a department in the Civil Service should be in a position that could not be challenged. However, as I outlined previously, we come to the 25th engineer, the 25th chemist, or the 25th accountant. The 25th accountant could be acting for months or years as the chief accountant or the number one accountant in the department. A person who, because he is above the salary range, could be promoted to that job and the person who had been acting could not appeal against that appointment. There is no provision in either the Act or the Bill for an appeal in regard to any acting position.

I think this is wrong in principle and practice, especially as most people in the Civil Service embark on a professional life and dedicate themselves to their particular department. It is wrong when people can be taken out of grade 2 for a reason other than qualifications, and promoted to grade 1 and placed in a salary range, and no-one else in the Civil Service can appeal against that appointment.

The argument could be used that if a person were employed in private industry he would not be able to appeal; that the boss chooses the best man. The Civil Service is governed by Acts of Parliament and it gives civil servants the right of advancement. It is wrong in principle and practice that people should be denied the right of appeal in connection with a position which might be held.

It is not good if we are hoping to get the right people in key positions. The Bill defines what is a salaried officer but it does not define what is a wages officer. I believe this causes a good deal of discontent between salaried officers and wage earners, and the Minister would be well advised to look at this aspect.

I would not like to foreshadow an amendment at this stage, because the Bill would have to go back to the draftsman. However, it would dispose of a lot of discontent if the wage earner were defined the same as a salaried officer. If we can clear up these doubts concerning the right of appeal it would give wage earners an opportunity of advancement.

The Hon. A. F. Griffith: What clause would you relate this to?

The Hon. R. THOMPSON: Subsection 5 (1) (a).

The Hon. A. F. Griffith: But that is not in the Bill.

The Hon. R. THOMPSON: I said that the Minister should have a look at this.

The Hon. F. J. S. Wise: You are speaking to a missing clause in the Bill!

The Hon. R. THOMPSON: Section 5 is mentioned in the Bill, but the subsection to which I referred is not mentioned in the Bill. On page 3 there appear the words "section 5 amended." I am saying that subsection (1) (a) of that section should also be amended. I intend to support the Bill at this stage, but I trust the Minister will take into consideration the difference between the salaried officer and the wage earner.

I have not spoken to anyone in authority in the Civil Service, but I have spoken to civil servants who have been affected. In addition, talks with the Department of Labour have been fruitful. In supporting the Bill I would like the Minister to look at the definition of wage earner.

THE HON. A. F. GRIFFITH (Suburban —Minister for Mines) [10.52 p.m.]: I am more than a little concerned at the comments of the honourable Mr. Thompson. I am told that negotiations started in 1959 and that decisions were arrived at in 1960 and 1961. I am told that there has been no call for further conferences on matters contained in the Bill, and that the measure contains only those matters which have been agreed to by all parties.

I appreciate that I am not allowed to refer to a debate which has taken place in another place, but I would counsel the honourable member to have a look at what was said there. He will find that his opinions on the matter are, to say the least, at variance with those of others.

The Hon. R. Thompson: I am only speaking about what I have received in letters.

The Hon. A. F. GRIFFITH: I am unable to refer to what happened in another place, but I can assure honourable members that it is not my purpose to mislead them. If the honourable member looks at what happened in another place he will see that a date of the meeting was nominated and the Trades and Labour Council was mentioned.

The Hon. R. Thompson: The Trades and Labour Council was not in existence then. The 5th September, 1961, was the date of the last meeting.

The Hon. A. F. GRIFFITH: If it is being said that these negotiations were going on for some years and the Trades and Labour Council was included, then, according to the honourable member, the information must be wrong.

The Hon. R. Thompson: That is so.

The Hon. A. F. GRIFFITH: Then I suggest the honourable member should check this point.

The Hon. R. Thompson: The Trades and Labour Council has not been in existence for more than about 16 months.

The Hon. A. F. GRIFFITH: I suggest that the honourable member check this, because the statement was made. I was assured that there were negotiations between the parties. Blame could be attached by reason of the fact that the Bill was not introduced last session; but I am told that the provisions in the Bill are those which have been agreed to by the parties concerned.

I admit that the point raised by the honourable member is not mentioned in the Bill. I consulted with the Secretary for Labour as late as yesterday afternoon. Did the point the honourable member raised have any relation to clause 9?

The Hon. R. Thompson: Yes.

The Hon. A. F. GRIFFITH: I was told only yesterday that an attempt was made to reach agreement on this point and the parties could not agree. If they had been able to agree, then as late as yesterday we could have had an amendment to rectify the situation. However, in the light of no agreement having been reached, an amendment cannot be entertained at this time. I can only repeat that the provisions of this Bill are those which were agreed to by all parties. I hope we are not at variance with this. Honourable members in another place were not at variance on this. Consultations were held over a period of time. They were agreed to last year, and the Bill is here this year. It might be a little late, but nevertheless the basis of the agreement between the parties is contained in this Bill.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by The Hon. A. F. Griffith (Minister for Mines), and passed.

COAL MINE WORKERS (PENSIONS) ACT AMENDMENT BILL

Second Reading

Debate resumed, from the 11th November, on the following motion by The Hon. A. F. Griffith (Minister for Mines):—

That the Bill be now read a second time.

THE HON. D. P. DELLAR (North-East) [11.1 p.m.]: The introduction of this Bill has been brought about by the unfortunate happening at Collie in 1960 when many men lost their employment as the result of the Amalgamated Collieries coalmines being closed down. Many of those workers had to leave the town, although some, fortunately, found alternative employment within the town itself on road maintenance work and on shire council work. Those who left the town had to vacate their homes and move elsewhere with their families to find other employment.

Approximately 12 months later it was found there was need for more men to be employed in the industry, and many of those who were retrenched previously returned to their former employment. When several of these men lost their employment in the coal mines in 1960 they were paid their pensions in a lump sum, and this Bill has been introduced to assist these men who are now re-employed in the coal mines. However, many of the provisions contained in the Bill do not, in some respects, go far enough. For instance, proposed new subsection (2a) reads as follows:—

> (2a) For the purpose of calculating when the disqualification under subsection (1) of this section ceases in relation to a mine worker to whom paragraph (b) of subsection (2) of this section applies, such portion—
>
> of the amount or lump sum referred to in that subsection that the mine worker accepted or received under the Workers' Compensation Act, 1912,
>
> as the Tribunal is satisfied has, since the commencement of the Coal Mine Workers (Pensions) Act Amendment Act, 1964, been applied by the mine worker in,
>
> (a) the purchase of his home;
>
> (b) redeeming any mortgage on his home; or
>
> (c) payment of medical expenses in connection with the injury in respect of which he so accepted or received the amount or lump sum,
>
> shall be disregarded.;

As honourable members know, if a worker collects a lump sum as a result of any injury he suffers during the course of his employment he cannot receive any benefit from pensions to which he is entitled until he has exhausted the lump sum payment. This Bill, therefore, seeks to assist workers who are so affected after receiving their coal miner's pension in a lump sum. But, as I have pointed out, this clause does not go far enough, because if a worker receives a lump sum as the result of an injury during the course of his employment he is not eligible to receive any benefit from the coal mine workers' pension fund.

In some cases, if a worker were to draw a lump sum and endeavour to rehabilitate himself in some other field, such as establishing himself in a small business, it could be that he may be able to carry on in that business, but if he could receive his pension it would be of great assistance to him. In an endeavour to remedy the inadequacy of the Bill I have given notice of some amendments which I propose to move in Committee. Those amendments are to be found on page 4 of the notice paper.

In the Bill there is also provision for a man who has returned to the coal mining industry, after losing his employment in 1960, to enable him to rejoin the coal mine workers' pension fund provided he refunds the amount he has received in a lump sum within a period of three months after his return to the industry. The union, however, considers that the period of three months does not give a worker sufficient time to refund this money. For example, a miner who was placed in such a position would be refunding approximately £20 a fortnight to the fund and in such circumstances would be taking home barely enough money for his family to live on.

At present a miner is contributing 11s. a week to the fund. Therefore, it would take him quite a long period to refund the lump sum which had been paid to him following his retrenchment. However, I have an amendment to move in regard to this clause which I will deal with in Committee. As I have said, the principal purpose of the Bill is to assist in the rehabilitation of men who have returned to the coal mining industry after having been retrenched in 1960, and to assist them in recovering the benefits that will accrue to them under the coal mine workers' pension fund.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (The Hon. F. R. H. Lavery) in the Chair; The Hon. A. F. Griffith (Minister for Mines) in charge of the Bill.

Clause 1 put and passed.

Clause 2: Section 12 amended—

The Hon. D. P. DELLAR: As stated in my second reading speech the union considers that this clause is not far-reaching enough to render assistance under the provisions of the Act to the worker who has been injured during the course of his employment in the industry. For instance, under section 3 (2) of the principal Act, the following is provided:—

> Any mine worker who is lawfully absent from work on an award holiday or on annual leave or through sickness or accident not due to his own fault for any continuous period not exceeding twelve months or such further period as the tribunal may in any case determine shall be deemed to have actually worked in or about a coal mine during the period of such absence and the mine worker and the owner shall in respect of the period of such absence be required to pay contributions.

Under that section if a miner has been absent from his employment as a result of sickness, or for some other reason through no fault of his own, he is permitted to refund to the fund at a rate which shall be double the contribution per fortnight that a worker usually pays to the fund.

The Hon. A. F. Griffith: That is section 10, is it?

The Hon. D. P. DELLAR: No, it is page 10, section 3. The union considers that some assistance in that direction could be given to these men. I therefore move an amendment—

> Page 2—Insert after paragraph (c) in lines 28 to 32 the following new paragraph:—
>
> (d) any manner that the Coal Mine Workers' Pensions Tribunal considers justifiable having regard to all the circumstances of the injured worker,.

The Hon. A. F. GRIFFITH: The example given by the honourable member as to what could be done by the Coal Mine Workers' Pensions Tribunal has no relationship to the amendment before us. The original request of the union was to be granted a provision similar to that applying in New South Wales, and that has been done. If we were to go beyond what is provided in the New South Wales legislation we would open the field much wider. This provision was intended to meet special cases of home purchase, redemption of mortgage, and medical expenses. If the tribunal is to be given additional power it could create anomalies.

The Hon. R. THOMPSON: Just because another State has not granted to the tribunal the additional power proposed in the amendment is no reason why Western Australia should not grant it. The tribunal is a responsible body which examines all matters constructively. When an injured worker has been away from the industry for a period of time, through no fault of his own, and then returns to the industry, he is given the right to catch up with his contributions to the pensions fund. It would only be just for the tribunal to treat such cases on their merits.

The amendment does not propose to give the tribunal unlimited powers. We are only asking for something which is justifiable. The coal miners of Western Australia have a record second to none in Australia, and possibly in the world. We cannot quibble about the actions of the coal miners of this State, and we should not deny them anything which can justifiably be given to them. The claim in the amendment is not an extravagant one.

The Hon. D. P. DELLAR: I cannot understand the Minister's reasoning. We should have confidence in the tribunal. We know it does not award money unnecessarily. Under my amendment it is proposed to give the tribunal a little more scope in dealing with unfortunate coal miners, some of whom have been injured and paralysed in the course of their employment. In such cases the tribunal should have power to extend a little more assistance.

The Hon. A. F. GRIFFITH: The additional power has been given in New South Wales, not in the form set out in the amendment before us, but in the form set out in the Bill; that is, such payment is allowed to be made available to coal miners under the conditions prescribed in clause 2. That was what the unions asked for and Cabinet agreed to. Subsequent to the introduction of this legislation the unions asked for something additional. If they are granted that, Western Australia will be out of line with New South Wales.

The Hon. G. C. MacKinnon: It is not an ungenerous provision which appears in the clause.

The Hon. A. F. GRIFFITH: The unions in New South Wales have prompted the union in this State to have the provision in clause 2 inserted into the Act, and the Government agreed to it on that basis.

Amendment put and negatived.

Clause put and passed.

Clauses 3 and 4 put and passed.

Clause 5: Section 21A amended—

The Hon. D. P. DELLAR: I move an amendment—

> Page 5, line 1—Delete the word "three" with a view to substituting the word "twelve."

The reason for this amendment is that many coal miners who lost their jobs in 1960 have now returned to the industry and rejoined the fund. They have to repay the lump sum which they drew out when they left the industry. The period of three months prescribed in the clause is too short, bearing in mind that they lost their jobs though no fault of their own. When they return to the industry they have to repay the lump sum which they received to qualify for retirement.

Quite a lot of money was paid out by the fund in 1960, and to insist on the money being repaid to the fund in a period of three months will impose a hardship on the workers, particularly the married workers. Those workers received the money in a lump sum when they left the industry, and on their return they should be given 12 months to repay. When a person shifts from his place of employment he incurs heavy expenses. Many of them used up what they received in shifting away from Collie and in moving back.

The Hon. G. C. MacKinnon: The people in Collie have more savings in the bank than those in any other town in the south-west.

The Hon. D. P. DELLAR: We have to treat each case on its merits, and that will be done if the amendment is agreed to. The loss of employment in 1960 arose through no fault of the miners. I hope this Chamber will give the amendment every consideration and will agree to it in order that the working people of Collie who are concerned in this will be assisted.

The Hon. A. F. GRIFFITH: I am not unsympathetic in regard to this state of affairs. I realise that this may have an impact on some people. While I agree that three months may be too short a period, I feel that 12 months is too long. I am prepared to either make it six months or give the discretion to the tribunal.

The Hon. R. THOMPSON: I think that to leave the discretion to the tribunal would be the better solution. I realise that many would probably be able to repay the money in cash, but the odd person with family commitments would not be able to do so. I favour granting the discretionary power to the tribunal.

The Hon. A. F. Griffith: What limit do you think we should give them?

The Hon. R. THOMPSON: I think the discretionary power up to 12 months would be a good idea. On the other hand, the three months could be left, as long as the discretionary power was given to the tribunal to extend the time. It is through no fault of their own that these people are in this position and they should be given a chance to pick up the strings. Even under our superannuation scheme I believe that honourable members can pick up their back contributions.

The Hon. A. F. Griffith: Not in 12 months though.

The Hon. R. THOMPSON: But we would be in better circumstances than a person who has been unemployed for a long period.

The Hon. G. C. MacKINNON: It might be advisable for the Minister to ascertain how many miners this is likely to affect. I was delighted on a recent visit to Collie to be advised that so far as the union was aware, all those who were desirous of returning to the field had in fact returned, and that the books were being opened for the first time for many years for junior labour. I was told this some months ago and I am quite sure that by now this has been done. Therefore very few will be affected by this provision.

The Hon. A. F. GRIFFITH: Because of the difficulty of including the provision regarding the discretionary power to the tribunal, I suggest that we provide for six months now, and I will, between now and Tuesday, make inquiries as to how many are likely to be affected and how much undue hardship is likely to be imposed. If necessary, I will have a suitable amendment drafted to give the tribunal some discretion.

The Hon. D. P. DELLAR: I take it that the Minister will accept the provision of six months with the promise that he will investigate the matter to see whether any hardship will arise.

The Hon. A. F. Griffith: I have already said I will investigate the matter.

The Hon. D. P. DELLAR: I did not quote the figure of £20 to the Committee out of the air. These figures were given to me by the secretary of the union, who would have an idea of how some miners will be affected. I am concerned for those who will be affected, whether the number be three, six, or 20.

If the Minister will give me the assurance that he will substitute the word, "six" instead of the word, "three", I will be satisfied.

The Hon. A. F. Griffith: I have given you that assurance.

The Hon. D. P. DELLAR: In view of that assurance, I ask leave of the Committee to withdraw my amendment.

The Hon. A. F. GRIFFITH: I suggest that the honourable member does not need to withdraw his amendment. The question before the House is the deletion

of the word "three." I would suggest that instead of substituting the word "twelve" we should substitute the word "six".

Amendment put and passed.

The Hon. D. P. DELLAR: I move an amendment—

Page 5, line 1—Substitute the word "six" for the word deleted.

Amendment put and passed.

The Hon. D. P. DELLAR: I move an amendment—

Page 5, line 5—Delete the word "three" and substitute the word "six".

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 6 and 7 put and passed.

Title put and passed.

Report

Bill reported, with amendments, and the report adopted.

House adjourned at 11.45 p.m.

Legislative Assembly

Thursday, the 12th November, 1964

CONTENTS

The SPEAKER (Mr. Hearman) took the Chair at 2.15 p.m., and read prayers.

BILLS (2): INTRODUCTION AND FIRST READING

1. Abattoirs Act Amendment Bill.

   Bill introduced, on motion by Mr. Nalder (Minister for Agriculture), and read a first time.

2. Darryl Raymond Beamish (New Trial) Bill.

   Bill introduced, on motion by Mr. Hawke (Leader of the Opposition), and read a first time.

QUESTIONS ON NOTICE

TOTALISATOR AGENCY BOARD

Galloping and Trotting Races: Amounts Invested

1. Mr. BURT asked the Minister for Police:

   What amounts were invested through the Totalisator Agency Board in this State on—

   (a) galloping races held in the Eastern States;