

The Hon. A. F. GRIFFITH: I take it that leave of the House to give notice of this motion is not necessary.

The PRESIDENT (The Hon. L. C. Diver): It would appear not.

The Hon. N. E. BAXTER: I would refer you, Sir, to Standing Order 102, which I think covers the situation.

The Hon. G. C. MacKINNON: I gave notice openly, because I actually did give notice of this when I introduced my original motion. The advice I received, I followed to the letter.

The Hon. A. F. Griffith: The same thing was done in the Legislative Assembly.

The PRESIDENT (The Hon. L. C. Diver): In reply to the honourable Mr. Baxter I would say that I distinctly remember the honourable Mr. MacKinnon reading out this notice of motion immediately after he completed the main motion. I recall his having said, in anticipation of the main motion being carried, that he proposed to move this motion. So I think it is in order for the honourable Mr. MacKinnon to move the motion as it appears on the notice paper.

Motion

THE HON. G. C. MacKINNON (South-West) [10.22 p.m.]: I move—

That the Legislative Council be represented on the committee by two members nominated by the Leader of the Government and one member nominated by the Leader of the Opposition in the Legislative Council, and that the Legislative Assembly be acquainted accordingly.

It is normal when moving the appointment of such committees to just move the motion and leave the matter there. I feel constrained, however, to say a few words tonight because of the remarks made by the honourable Mr. Heenan. He suggested that two goldfields members be appointed to this committee. The committee as requested in the message from the Legislative Assembly is an all-party committee. My motion suggests the appointment of one Country Party member, one Liberal Party member, and a member of the Opposition, which would mean that we would have every party represented.

I think this is desirable from the point of view of the goldfields, because we would get the greatest possible dissemination in Parliament itself, and bring the widest views to bear on the subject; and we would have the added advantage that goldfields members can advance evidence, and they would be certain of having at least one additional friend in any worth-while proposition that might be put forward. I therefore commend the motion to the House and hope honourable members will agree to it in as happy an atmosphere as they agreed to the previous motion.

Debate adjourned, on motion by The Hon. F. J. S. Wise (Leader of the Opposition).

BILLS (2): RECEIPT AND FIRST READING

1. Iron Ore (Mount Newman) Agreement Bill.
2. Iron Ore (Mount Goldsworthy) Agreement Bill.

Bills received from the Assembly; and, on motions by The Hon. A. F. Griffith (Minister for Mines), read a first time.

House adjourned at 10.25 p.m.

Legislative Assembly

Tuesday, the 3rd November, 1964

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The SPEAKER (Mr. Hearman) took the Chair at 4.30 p.m., and read prayers.

SUITORS' FUND BILL

Returned

Bill returned from the Council without amendment.

QUESTIONS ON NOTICE

COUNTRY TOWNS

Aggregate Net Annual Value

1. Mr. CORNELL asked the Treasurer: What is the present aggregate net annual value for each of the following towns:—
Mingenew, Maya, Morawa, Mullewa, Perenjori, Wongan Hills, Beverley, Bridgetown, Brookton,

Denmark, Donnybrook, Kataning, Kojonup, Mt. Barker, Wagin?

Mr. BRAND replied:

Town	Aggregate Net Annual Value £
Mingenew	11,665
Morawa	13,358
Mullewa	12,616
Brookton	13,535
Wagin	24,213
Beverley	26,613

The Taxation Department has not valued on an annual value basis the remaining towns listed in the question.

TRAINEE NURSES COURSE AT BUNBURY

Use of Regional Hospital and Technical School

2. Mr. WILLIAMS asked the Minister for Health:

- (1) Will the trainee nurses course, to be carried out at Bunbury Regional Hospital, be a complete course; if not, what part of the training will be carried out away from Bunbury?
- (2) Is it intended to use the Bunbury Technical School for any part of their studies?

Mr. ROSS HUTCHINSON replied:

- (1) and (2) The whole matter is now under review by the Nurses' Registration Board.

BUNBURY TECHNICAL SCHOOL

Number of Student Hours, and Staff

3. Mr. WILLIAMS asked the Minister for Education:

- (1) What was the number of student hours, for each term, at the Bunbury Technical School since the opening of that school?
- (2) By what number has the staff increased and what are their classifications?
- (3) Will there be an increase in the number of staff for the year 1965? If so, in what classifications?

Extensions

- (4) Are any extensions proposed to this school in the next five years? If so, what are they and when could they be expected?

Mr. LEWIS replied:

(1) 1963—	Student Hours.
Term I	22,889
Term II	25,333
Term III	19,725
1964—	
Term I	42,591
Term II	41,818

(2) Classification—	1963	1964
Principal	1	1
Temporary Senior Instructor Trades	1	1
Temporary Senior Lecturer Commerce	1	1
Electrical Trades Instructor	1	1
Automotive Trades Instructor	1	1
Fitting and Machining Trades Instructor	-	1
Carpentry and Joinery Trades Instructor	-	1
Lecturers Commerce	2	3
Lecturers Accountancy	-	1
	7	11

- (3) The following additional staff has been appointed for 1965:—
Deputy Principal.
Lecturer in Commerce.
- (4) No immediate plans for extensions have been formulated. However, the position is constantly under review and it is anticipated that additions will be required within the next five years.

UNEMPLOYMENT

Bunbury District Statistics

4. Mr. WILLIAMS asked the Minister for Labour:
- (1) What was the work force for the Bunbury district at the 30th September for the years 1955 to 1964 inclusive, in the following groups:—
(a) 21 years and under;
(b) over 21 years;
(c) total?
- (2) What were the unemployment figures for the Bunbury district at the 30th September for the years 1955 to 1964 inclusive, in the following groups:—
(a) 21 years and under;
(b) over 21 years;
(c) total?

Mr. WILD replied:

- (1) Annual figures for the size of the work force for Bunbury district are not available.
- (2) Unemployment figures, in the round, are available for Bunbury district, but this district covers an area bounded by Williams and Walpole and therefore takes in the whole of the south-west corner of the State.

Available figures do not reveal age groups, but total numbers of unemployed. These unemployment figures are as follows:—

September 30th—

1955	63
1956	83
1957	192
1958	389
1959	452
1960	313
1961	552
1962	468
1963	344
1964	285

ONGERUP SCHOOL

Toilets: Installation of Well Type

5. Mr. HART asked the Minister for Works:
- (1) Does the department plan to install in the new toilets at Ongerup school a well-type system and pump which can be connected to sewerage at a later date?
- (2) If "Yes," in view of the urgency, will he indicate when this work will be done?
- (3) If not, what are departmental plans to improve the situation?

Mr. WILD replied:

- (1) It is proposed to convert the existing e.c.'s. to w.c.'s. and each block (boys and girls) will be connected to a septic tank and effluent pit which will be emptied by a local contractor.
- It is also intended to install hand basins. The system can be connected to a sewerage scheme in the future.
- (2) Arrangements have been made for the Education Department to refer the drawings and estimate to the local authority for approval in respect of the raising of the necessary finance.
- Work will commence as soon as finance is available and a tender accepted.
- (3) Answered by (2).

PASTORAL LAND IN GASCOYNE AREA

Eroston

6. Mr. NORTON asked the Minister for Agriculture:
- (1) Is he aware there is a large area of pastoral land on the Gascoyne which is eroding very quickly and is in danger of being permanently lost as grazing land?
- (2) Is he further aware this land will turn into a series of gullies which will not be able to be reclaimed and that they will feed water

direct from high land into the Gascoyne, increasing the flood danger to Carnarvon?

- (3) Should he not be aware of these conditions, will he call for a report on this area and if the area is in danger of being lost as a pastoral area and will increase the danger of flooding, take immediate steps to have a regeneration programme set in motion?

Mr. LEWIS (for Mr. Nalder) replied:

- (1) to (3) It is known that degradation has been occurring for many years and it is realised that with the removal of cover there will be increased runoff of water from the higher level areas.

The prevention of overgrazing and consequent erosion is primarily the responsibility of the leaseholder and the major requirement of any regeneration programme is protection from grazing animals. The Pastoral Appraisal Board will consider means of achieving such protection.

WATER SUPPLIES IN COUNTRY DISTRICTS

Total Usage

7. Mr. TONKIN asked the Minister for Water Supplies:

- (1) What was the total country water usage in 1963-64?

Consumption in Excess of Rebate Water

- (2) Of this quantity, how much was water consumed in excess of allowances to consumers for rebate water?
- (3) How much of the total revenue from country water usage was obtained from charges for water consumed in excess of allowances for rebate water?

Mr. WILD replied:

- (1) 4,514,587 thousand gallons.
(2) 1,570,102 thousand gallons.
(3) £245,824.

RESIDENTIAL BLOCKS IN CARLISLE

Use by Factories

8. Mr. JAMIESON asked the Minister representing the Minister for Local Government:

- (1) Why are factories allowed to continue conducting business on zoned residential blocks in the Carlisle district?
- (2) How many factories are in this residential district?
- (3) What is the respective business of these factories?

Mr. LEWIS (for Mr. Nalder) replied:

- (1) to (3) Information is being sought from the Perth City Council to enable answers to be given to these questions.

RACING AND TROTTING

Treasury Assistance to W.A.T.C. and W.A.T.A.

9. Mr. CORNELL asked the Treasurer:

- (1) In connection with the financial assistance extended by the Treasury to the W.A. Turf Club—
- (a) what was the basis on which this was formulated;
- (b) for what period, giving the dates of commencement and cessation, was this assistance extended;
- (c) how many race meetings were held during this period;
- (d) what amount was received by the W.A. Turf Club under this arrangement?
- (2) What amounts, if any, were returned to the Treasury by the W.A. Turf Club from subsequent T.A.B. distributions?
- (3) Did the W.A. Trotting Association ask for, or receive, comparable assistance?

Mr. BRAND replied:

- (1) (a) It is assumed that the question relates to an arrangement made in January, 1959, under which a subsidy was paid to the W.A. Turf Club at the rate of £1 per head by which paid attendances at race meetings in 1959 fell below the attendance at the corresponding meeting in the previous year.
- (b) The 10th January, 1959, to the 19th December, 1959.
- (c) 53.
- (d) £42,172.
- (2) Nil.
- (3) The W.A. Trotting Association sought comparable assistance in respect of the period, the 17th January, 1959, to the 24th April, 1959. It was paid a subsidy of £4,520.

T.A.B. SURPLUS: DISTRIBUTION

Trotting Clubs' Share

10. Mr. CORNELL asked the Minister for Police:

With reference to the recent payout of £40,000 by the T.A.B. on the race horse Cronin—

- (a) On the basis of ultimate distribution of the T.A.B. surplus—namely, 62 per cent. to

racing clubs and 38 per cent. to trotting clubs—would not this payout be shared as follows:—

Racing clubs—£24,800;
Trotting clubs—£15,200?

- (b) As Eastern States racing results are shared on 75: 25 basis, does not the above method of apportionment mean that a disproportion of this transaction is being borne by trotting clubs?

Mr. CRAIG replied:

(a) Yes.

- (b) No, not necessarily, as the trotting clubs will receive 38 per cent. of the ultimate surplus available for distribution.

KWINANA HIGHWAY: DRILLING

Purpose

11. Mr. KELLY asked the Minister for Works:

What is the purpose of drilling being carried out alongside the Kwinana Highway at two to three chain intervals?

Mr. WILD replied:

Boring is being carried out to find sources of fresh water for possible reticulation of the verges and median strip of the Freeway.

(a) Salaries and Expense Allowance.

	Western Australia			New South Wales			Victoria		
	Salary	Expense Allowance	Total	Salary	Expense Allowance	Total	Salary	Expense Allowance	Total
	£	£	£	£	£	£	£	£	£
Premier	4,440	600	5,040	5,450	1,750	7,200	5,000	1,500	6,500
Deputy Premier	3,900	300	4,200	4,600	700	5,300	4,250	600	4,850
Leader of Government in Council	3,900	300	4,200	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Speaker	2,990	150	3,140	3,650	350	4,000	3,100	275	3,375
President	2,990	150	3,140	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Leader of Opposition in Assembly	3,490	200	3,690	3,750	600	4,350	3,500	600	4,100
Deputy Leader of Opposition in Assembly	2,940	100	3,040	3,100	100	3,200	2,500	125	2,625
Leader of Opposition in Council	2,940	100	3,040	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Government Whip in Assembly	2,540	200	2,740	3,050	150	3,200	2,225	....	2,225
Opposition Whip in Assembly	2,540	150	2,690	3,050	150	3,200	2,150	....	2,150
Private Members	2,540	....	2,540	2,650	....	2,650	2,000	....	2,000

(b) Electorate Allowances

£600-£950
(4 Zones)

£750-£1,050
(4 Zones)

£550-£950
(4 Zones)

- (3) Ministers are entitled to £4 per day and £7 10s. per day when travelling intrastate and interstate respectively.

RACING AND TROTTING

Meetings

13. Mr. NORTON asked the Minister for Police:

- (1) How many trotting clubs are in—
(a) the metropolitan area; and
(b) country districts?
- (2) How many racing clubs in—
(a) the metropolitan area; and
(b) country districts?

PARLIAMENTARIANS' SALARIES

Comparison between W.A. and Eastern States Figures

12. Mr. JAMIESON asked the Premier:

- (1) What are the respective present salary and allowances applicable to members of the Western Australian Parliament in the following categories:—

- (a) Premier;
(b) Deputy Premier;
(c) Leader of Government, Legislative Council;
(d) Speaker and President;
(e) Opposition Leader;
(f) Opposition Deputy Leader;
(g) Leader of Opposition in Legislative Council;
(h) Whips in both Houses;
(i) Private Members?

- (2) How do these salaries and allowances compare with those of the standard States?

- (3) What travel allowances are made in respect of any members of the Western Australian Parliament?

Mr. BRAND replied:

- (1) and (2)

- (3) How many meetings are held by trotting clubs in—

- (a) the metropolitan area; and
(b) in country areas, each year?

- (4) How many race meetings are held in—

- (a) the metropolitan area; and
(b) country areas, each year?

Stake Money

- (5) What is the total stake money each year for—

- (a) trotting meetings;
(b) race meetings,
in Western Australia?

Allowances to Clubs from Betting Tax and T.A.B.

- (6) What was the amount of money allowed from betting tax and/or the T.A.B. to—
 (a) trotting clubs;
 (b) racing clubs,
 for the last financial year?

Mr. CRAIG replied:

- (1) (a) 2.
 (b) 19.
 (2) (a) 1.
 (b) 50.
 (3) (a) Approximately 60.
 (b) Approximately 96.
 (4) (a) Approximately 58.
 (b) Approximately 135.
 (5) (a) 1961: £238,091
 1962: £257,629
 1963: £284,001
 1964: £282,220
 (b) 1961: £236,652
 1962: £239,483
 1963: £294,170
 1964: £329,045
 (6) For the board's financial year ended the 31st July, 1964, the amounts retained by the clubs from betting tax were—
 (a) Trotting clubs: £22,738
 (b) Racing clubs: £54,625
 The Totalisator Agency Board's distributable surplus for the board's financial year ended the 31st July, 1964, was £436,484. This was distributed on the basis of—
 (a) Trotting clubs: £164,697.
 (b) Racing clubs: £271,787.

RACING IN VICTORIA

T.A.B. Investments and Dividends on Ace Banner and Radiant Pine

14. Mr. TONKIN asked the Minister for Police:

- (1) What amount of money was invested with the T.A.B. for a win and place, respectively, on horses racing in the Noonga Handicap (2) and Noonga Handicap (3) at Moonee Valley on Tuesday, the 4th April, 1961?
 (2) What amount of money was invested for a win and place, respectively, on the winners of the abovementioned events, viz., Ace Banner and Radiant Pine?
 (3) What were the dividends straight-out and place paid by the T.A.B. on Ace Banner and Radiant Pine?

Mr. CRAIG replied:

- (1) The only records now available do not show the separate investments for win and place. The total of

the combined investments for the Noonga Handicap (2) was £70 10s., and for the Noonga Handicap (3) £165 5s.

- (2) This record is no longer available.
 (3) (a) On Ace Banner—Win £20 11s., place £1 13s.
 (b) On Radiant Pine—Win £11 9s., place £2 3s. 6d.

QUESTIONS WITHOUT NOTICE

DANGEROUS DRIVING BY A BOY

Newspaper Report of Case

1. Mr. HALL asked the Minister representing the Minister for Child Welfare:

- (1) Is he aware of the article appearing in *The West Australian* of the 9th October, 1964, as follows:—
 Boy Banned.

In the Perth Children's Court yesterday, Michael Edward Reid (17), of Riley-road, Claremont, was fined £15 and was banned from driving for three months on a charge of dangerous driving?

- (2) Does the publication referred to contravene section 23, subsections (1) and (2) of the Child Welfare Act, 1947?
 (3) If the Child Welfare Act has been contravened, what action has been taken to rectify the matter?
 (4) If no action has been taken, will he give an earnest assurance that there will be no recurrence of such publication?

Mr. CRAIG replied:

I am asked by the Minister for Child Welfare to thank the honourable member for Albany for prior notice of his question, and to advise him—

- (1) Yes.
 (2) No.
 (3) None.
 (4) No.

DARRYL BEAMISH CASE

Information from a Prisoner: Availability to Public

2. Mr. HAWKE asked the Premier:

- (1) How does he explain his part answer of "No" to the following question which I asked of him last Thursday:—

Did a prisoner in the Perth police lock-up in recent days make available information regarding the Darryl Beamish case?

- (2) As there is fast-growing public interest in connection with the Darryl Beamish case, does he not

think the information made available by the prisoner concerned should be made public, thus allowing members of the public—and members of Parliament, I might add—to decide individually for themselves whether the information made available is “fresh” information?

Mr. BRAND replied:

I thank the Leader of the Opposition for notice of this question. The answer is—

- (1) The answer given when read as a whole was correct.
- (2) Not by the Government. The solicitors for Beamish are aware of the facts, and it is within their province to take what action they consider is best in Beamish's interests.

3. Mr. HAWKE asked the Premier:

In view of the fact that the information in question has been made available to certain solicitors, does not the Premier think it should also be made available to Parliament and to the general public?

Mr. BRAND replied:

I believe this is a matter for Beamish's solicitors. If they feel it is in the interests of Beamish and in the interests of his case, then they would surely make this information readily available to anyone.

*Minister's Report of Statement by
E. E. Cooke*

4. Mr. HAWKE asked the Premier:

- (1) Following the recent execution of Eric Edgar Cooke has the minister of religion who spent some time with him before his execution made any verbal or any written report to any Minister of the Government regarding any statement made by Cooke in connection with the Darryl Beamish or any other case?

*Availability of Minister's Report on
E. E. Cooke's Statement*

- (2) If so, will he make available the information in question to the House?

Mr. BRAND replied:

The Leader of the Opposition gave notice of this question, the reply to which is as follows:—

- (1) and (2) It was reported that Cooke again asserted that he had killed the victim in the Beamish case and counsel for Beamish was advised accordingly.

5. Mr. HAWKE asked the Premier:

Would the Premier kindly reply to question (2): “If so, will he make available the information in question to the House?”

Mr. BRAND replied:

This is a further instance of the solicitors for Beamish having the information. When this information was available, the Crown Law Department advised Beamish's solicitors immediately of the further alleged confession of Eric Edgar Cooke, and it would seem to me that they are the people to make this information available. However, I am prepared to have a look at this particular question.

Mr. Hawke: I should think so.

Mr. BRAND: Well, it was in the Press.

T.A.B. SURPLUS: DISTRIBUTION

Trotting Clubs' Share

6. Mr. CORNELL asked the Minister for Police:

I refer to question 10 on today's notice paper asked by me earlier. The words “no, not necessarily” which preface the reply to part (b) of that question imply that there is some doubt in the mind of the Minister or his advisers as to whether there is not some substance in the point raised by me. As the Totalisator Agency Board does not “departmentalise” or “compartmentalise” its accounting on the results of Eastern States and local racing, does not the Minister consider that the lumping of all the board's activities could result in trotting carrying a disproportionate share of large payouts on Eastern States racing?

Mr. CRAIG replied:

It does not necessarily mean that the trotting clubs share disproportionately, because they also share from the profits made from such events. As I stated in my reply, the overall percentage is 38, irrespective of whether there has been a loss or gain on any particular event.

Mr. Cornell: I give up!

Mr. CRAIG: So do I.

BILLS (2): THIRD READING

1. Pharmacy Bill.

Bill read a third time, on motion by **Mr. Ross Hutchinson** (Minister for Health), and transmitted to the Council.

2. Friendly Societies Act Amendment Bill.

Bill read a third time, on motion by Mr. Ross Hutchinson (Chief Secretary), and transmitted to the Council.

GOVERNMENT EMPLOYEES (PROMOTIONS APPEAL BOARD) ACT AMENDMENT BILL

Second Reading

MR. WILD (Dale—Minister for Labour)
[4.55 p.m.]: I move—

That the Bill be now read a second time.

This Bill seeks to amend the Government Employees (Promotions Appeal Board) Act, which provides for appeals, in respect of promotions, by certain persons permanently employed by or under the Crown.

Discussions and conferences have taken place periodically over the last 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. These conferences have resulted in agreement by all parties to the amendments contained in this Bill. The main amendments proposed are: firstly, the provision for an assistant chairman so that the time lag between the lodgement of an appeal and its determination can be speeded up; at the moment considerable delay does occur. The amendment proposed is so worded that both the chairman and the assistant chairman can sit with different boards at the same time. Also there is provision for a deputy to the employers' representative so that if for any reason the member cannot sit then the appeal is not delayed.

Secondly, the Bill provides for the payment of the appellant's subpoenaed witness where it is considered necessary. Some hardship has occurred on appellants because up to now the board has had no power to pay any witness fees or costs.

Thirdly, the Bill alters the seniority definition so that seniority for employees under the provisions of the Public Service Act is the same as it is under the Public Service Act Regulations. At the present time two entirely different definitions of seniority exist for public servants.

Fourthly, it seeks to overcome an anomaly in respect of employees of the Education Department which occurred when this Act was last amended. This anomaly has prevented the proclamation of the last amending Act.

Fifthly, it allows the board to approve of expenses incurred by appellants so that the payment can be expedited. Previously this expenditure had to be approved by the Executive Council and this seems to be hardly necessary.

Sixthly, it seeks to amend section 3 to include the Metropolitan Water Supply, Sewerage and Drainage Board as a department. Members will realise that there is now no longer a metropolitan water supply department. It also excludes those employees of the Education Department who are covered by the Government School Teachers' Tribunal. It also includes a new definition to cover the words, "office and position." These amendments are necessary in the light of amendments to other Acts, such as the Public Service Act and the Education Act.

Section 4 of the principal Act has caused concern, especially in the Railways Department, where the recommending and appointing authority are, in some cases, the same person and it is desired to overcome this position by specifically including the appointing authority, besides the recommending authority, as a person required to give notice of a recommendation.

The Railways Department has employees working under both State and Federal industrial awards. At present the Promotions Appeal Board has no authority to take into consideration awards of the federal court. This amendment proposes to rectify this position.

The provision of copies of notes of evidence involves considerable typing, and the employing authorities have said that they have no particular requirement for them. It also gives the employer some advantage over the appellant when preparing future cases. This provision has now been deleted.

It has been found that a provision providing that where one member of the union party to the award which governs the terms and conditions of the position applies for the position, all other employee applicants have been debarred from the right of appeal, and this has acted unfairly in certain cases; for example, in the case of an employee coming from the wages to the salaried staff. It has been agreed that it would be better to return to the previous wording and allow the Minister to declare that the right of appeal should exist.

Lastly, it is intended to repeal section 3 of amending Act No. 58 of 1960 which added the words "except the Education Department" in the definitions of "Department" and "Employee." It has been found that if this amending Act was proclaimed then public servants in the Education Department would be excluded from the operations of this Act.

The Bill should not be controversial as it contains nothing that has not already been agreed to between the employer and employee interests, and I commend it to the House.

Debate adjourned, on motion by Mr. W. Hegney.

REAL PROPERTY (FOREIGN GOVERNMENTS) ACT AMENDMENT BILL

Second Reading

Debate resumed, from the 29th October, on the following motion by Mr. Bovell (Minister for Lands):—

That the Bill be now read a second time.

MR. NORTON (Gascoyne) [5.1 p.m.] : This is quite a small Bill, which seeks to amend the Real Property (Foreign Governments) Act. Under that Act the Minister is empowered to give to a foreign power up to five acres of land, without the consent of Parliament; but for any any land over that acreage a special Bill has to be presented to Parliament for its approval. That is exactly what the Bill before us seeks to achieve in respect of an area of 100 acres at the Exmouth Gulf townsite.

It is not what is contained in the Bill which causes concern, but its implications in respect of the commitment of the finances of the State. The Minister should have at least laid on the Table of the House, either before the Bill was introduced or during the second reading, a copy of the agreement, so that both this House and the public would know to what the Government and the people of Western Australia were to be committed.

If we examine other Bills which have been introduced in this House, such as those dealing with iron ore, and so on, we will find that the parties concerned were required to build towns, to put down railways, to install wharves, and so on. Yet we find before us now a Bill seeking to grant a lease to the U.S.A. Navy of 100 acres of land for certain purposes. In his second reading speech, the Minister gave us a brief outline of the points involved, and it is those particular points with which I shall deal.

Apparently, from what the Minister said, the lease of this land will be for a period of 25 years, or for 180 days after that time, by notice of either the State Government or the American Government. The conditions which the Minister outlined will grant the right to the U.S.A. Government to enter upon and use the land, for the specific purposes shown in a schedule, or for other purposes agreed on from time to time. We do not know what are those specific purposes shown in the schedule. The Minister has not given us any idea whatsoever. It is only right that this House should be given the exact specific purposes which are included in the schedule, as well as the other purposes which may be agreed upon from time to time.

The land in question is to be given to the American V.L.F. station at a peppercorn rental. I do not know that we quarrel with that; but then the Minister went

on to say that the land would not be ratable. I take it the U.S.A. Navy will not be charged land tax, shire rates, water rates, and so on. When houses are built in a town and are occupied, I cannot see why the occupants should not have to meet rates and taxes, because they are supplied with the usual amenities while they are in occupation.

The Minister does say that the American Government will meet the cost of all specific services provided by the State, its instrumentalities, or the Shire of Exmouth. Just what is meant by that I do not know. I would ask the Minister to explain this more clearly when he replies, so that we will have some idea.

The Minister went on to say that the U.S.A. Government would make some contribution towards the cost of community services normally covered by general rates. It is just a broad statement and does not furnish us with any information at all. In a Bill such as this, that information should be given to this House.

The Minister went on further to inform us that the American Navy will erect 130 houses within 12 months; and that the conditions in the lease require that navy to keep those buildings in order, and to undertake the usual maintenance and periodical painting. Naturally we would expect those things to be done. Why it was necessary to include these conditions in the agreement I do not know.

He said further that the lease will contain provisions relating to the restriction of health and other nuisances. Just what is meant by the restriction of health? Does the Minister mean that health is a nuisance? I do not know what he meant by the restriction of health and other nuisances. If the health of a person was restricted he would not be in good health.

The Minister said further that the lease would include conditions favourable to the State, covering the ownership of fixed property, when the project agreement ceased to remain in force. I am wondering what the Minister meant by that. At the end of the 25 years will the houses which are to be erected revert to the Crown? I am wondering how much those houses which are located in an isolated part of Western Australia will be worth in 25 years' time. Probably if the station were abandoned the only purpose which the township could serve would be as an oil town. If after 25 years the station is abandoned then the area will very likely become a ghost town, and the buildings will fetch only what is offered for them, because buildings are not easily dismantled, carted away, and re-erected in other places. The Minister should give us more information on this aspect when he replies to the debate; that is, what the American Navy will do in respect of the lease.

Now we come to the commitments of the State. The Minister said during the second reading that the State was to supply all services in the townsite, including roads, water supply, electricity, sewerage, schools, hospitals, police station, some shire buildings, some houses for government employees, and some for rental. That is a fairly big undertaking, but I understand from what the Minister said that an amount of £565,000 is to be provided by the Commonwealth Government towards this project. If my reckoning is anywhere near correct the amount which has been allocated to the building of this townsite will not be anywhere near the amount that is required; especially if we take into consideration the cost of building the ablution block at Exmouth Gulf for the caravan park. This block cost in the vicinity of £15,000 or more, and it caters for 40 caravans. It seems to be a terrific amount of money, and one can hardly see how that amount has been spent.

Earlier this year I asked the Minister for Education a question regarding the school at Exmouth, and his reply does not tie in very well with what the Minister for Lands said during the second reading: that the State will have to supply the school. The Minister for Education told me that the school would consist of eight rooms; that the State would supply two rooms; and that the American Government would build the other six rooms. According to the Minister, it looks as if the State will only have to supply sufficient accommodation for about 90 Western Australian children, while the American Government will have to supply the major portion that is required. Yet the Minister for Lands stated that the State would have to supply the school.

I shall deal with each of those items which will have to be provided by the State. I have already dealt with the school, from the information given us by the Minister; but if we take into consideration the figures supplied by the Minister for Education in respect of the average of 45 children to each classroom throughout the State, then eight classrooms will accommodate 360 children. The Minister for Education also told us that the average cost of space per child in primary schools at the present time is £150. To supply the same space at Exmouth will cost at least 25 per cent. more; so this school will cost in the vicinity of £70,000, without taking into account the provision of a house for the headmaster and other accommodation for the school staff, which will number eight teachers.

Mr. Bovell: This is mainly to provide for Western Australian children who will live in the main townsite.

Mr. NORTON: That might be quite correct. But the point is that the State will have to build these things for the convenience of another government, which will have only a specified time to operate its establishment.

In the case of the hospital, the cost of its provision will be in the vicinity of £150,000. I am taking that cost as compared with the cost of building various hospitals further up the coast, and I doubt whether the building cost for the hospital at Exmouth will be much less than the figure I have mentioned. A residence for the doctor will be required. The one provided at Carnarvon cost the best part of £10,000, so the one at Exmouth will cost about £12,500.

The water supply in that area has not been proved, but the Government is committed to supply water to the township. At the present time a number of bores have been sunk, but they have not been drawn on heavily. No-one knows whether the water supply in the area will hold out, if it is drawn on heavily in this arid and dry climate. If the Government is committed to put down, from time to time, test bores, pumps, and piping, the provision of a water supply can become very expensive.

The provision of sewerage in the townsite will also be expensive, because in that limestone country it is impractical to dig the ground, and it is also very hard to blast the limestone. That was revealed when the ablution block for the caravan park was being erected. Great difficulty was experienced in blasting the holes which were drilled for the installation of the septic system. This was due to the large cavities which are found in the limestone, and which prevent the explosive charges from breaking the rock.

The Government will also have to supply electricity. I am rather surprised that it will be necessary for an independent electricity supply to be provided for the townsite at Exmouth, because the V.L.F. station will need a terrific amount of electric power to run, and many kilowatts will have to be placed at its disposal. I can see no reason why the electricity supply at the station should not be channelled to the townsite, which is only four miles distant. That would relieve the Government of a lot of expense. The electricity from the station could be distributed throughout the town by the shire council and resold to the consumers, as is done in other cases.

In this instance the Government would be quite in order in asking the American Navy to supply the township with electric power, particularly as the town is being established for the convenience of the navy.

Mr. O'Neil: The Americans are using 110 volts, aren't they?

Mr. NORTON: That is quite so.

Mr. Jamieson: They use that for the town supply.

Mr. NORTON: The point is that most of the electricity generated in Australia or in America is generated at a very high voltage and transformed down to the various voltages required. I think the electricity generated at Exmouth will be 250 volts or higher, because it is far away from the generating area. The high voltage will be taken four miles and transformed to 250 or 110 volts, whichever is considered advisable.

I have been looking at the housing costs, and if we are going to build 50 to 60 houses in that area it will be quite an expensive job. A two-bedroomed house at Carnarvon costs the State Housing Commission £3,732; and these houses would not be suitable for this particular area, which is probably in the most cyclonic corner of Western Australia. The houses will have to be considerably strengthened and be more suitable for tropical conditions than those at Carnarvon. On top of that, if the same house were provided, its cost would be at least 25 per cent. more than one at Carnarvon due to cartage and labour charges; therefore its cost would be between £4,600 and £5,000.

The roads in the town have to be sealed, and that will not be a cheap job. The sealing of any road is not cheap. Just how expensive it will prove to be we do not know, because we do not know the mileage that will be required. I feel the Minister should have given us some estimate of these costs so that the House would know exactly what the Government is up for in this respect. Even last year £78,000 from loan funds was spent at Exmouth Gulf alone; and I understand that would probably be for water supplies in the town itself.

As I said earlier, other agreements contain schedules calling on the lessees of certain areas to do certain things; and I feel that in this case we should have seen the schedule to the agreement so we would know exactly what the State is being let in for. I feel this is a defence project, and that the State should not have been called upon to spend its loan moneys on the project; the money should have been taken from the Commonwealth defence estimate and treated in the same manner as was Talgarno.

I trust the Minister will answer all of these points that I have put forward; and, if possible, before the Committee stage is completed, that he will lay on the Table of the House the agreement showing the schedule and other things this Government agreed to when drawing up the lease.

MR. JAMIESON (Beeloo) [5.19 p.m.]: I would hate an agreement of this kind to go through the House without debate. I feel that honourable members are taking it rather lightly, particularly when the

Minister in one part of his speech indicated that all services in the townsites—including roads, water supply, electricity, sewerage, school, hospital, police station, and some shire buildings—are being provided partly by the State and the Commonwealth, and that the largest amount of money is coming from loan funds and the balance from a Commonwealth grant, with a limit of £565,000.

If, as the honourable member for the district indicates, more money has to be spent in providing the things I have mentioned, then the State is going to be involved and not the Commonwealth. As far as I am able to ascertain, this whole agreement relating to the north-west base has been rather an unfortunate affair right through. We had the Premier saying one thing in one part of the world and saying another thing in another part of the world—something altogether different.

Mr. Brand: Is that so?

Mr. JAMIESON: I have here a cutting from *The Sunday Times* which is a report from its London office, dated the 19th May, 1963, when that paper was dealing with this base. The Premier was reported as follows:—

The Premier of Western Australia, Mr. David Brand, has denied rumours that the American tracking station at Learmonth is anything more than a communications centre.

The other night when the Premier replied to an interjection he had something else to say. He said "for the greater security of the country."

Mr. Brand: Of course it is.

Mr. JAMIESON: An ordinary communications centre!

Mr. Brand: Of course they are both closely linked.

Mr. JAMIESON: In the Press statement I read the Premier is implying they are not closely linked.

Mr. Brand: Nothing of the kind! I was implying it was not a military base.

Mr. JAMIESON: In this article the Premier said—

According to all these things it is just a big installation for keeping in touch with submarines, space capsules, and so on.

The Premier added—

If later developments caused it to be considered as a military target for nuclear attacks, there are only a few kangaroos and emus up there, anyway.

Mr. Brand: That is right.

Mr. JAMIESON: I have jealous regard for the rights of this State, my own property, and that of the Commonwealth, possibly more so than the Premier has. I do not think anything is as useless as the Premier would make out these circumstances to be. I would point out that

this agreement was originally made contrary to the wishes of the people of this country; and yet we are now being called upon to provide certain things associated with it. One of the most contentious points in the Federal sphere between the Government and the Opposition was whether this base should have been allowed to be situated on Australian soil without some form of joint control, the alternative being that it be completely controlled by the United States.

We know the unfortunate history of that. A Gallup poll clearly indicated where the public stood; and most Australians were of the opinion that if the station were to be based on the north-west coast of Western Australia it should be controlled—

The **SPEAKER** (Mr. Hearman): I do not think the honourable member can go on in this strain. This Bill refers to a piece of land being leased.

Mr. **JAMIESON**: Yes, Mr. Speaker, but I am giving the reasons associated with the lease. You, Sir, allowed the Minister, in the course of his speech, to refer to matters associated with the V.L.F. station and the fact that some personnel would be allowed to be quartered within the station and others outside of it. Surely if these things were referred to in the Minister's introductory speech, the debate should be wide enough to allow discussion of points that vitally affect the actual base itself! Without the base, this measure would not be before the House at the present time.

The **SPEAKER** (Mr. Hearman): References are all right, but the honourable member cannot debate these things.

Mr. **JAMIESON**: I am leading up to the fact that the proposal for joint control as against sole control by another power was placed before the general public of Australia who clearly indicated by about 80 per cent. to 20 per cent. that they were in favour of joint control. Now that the base is established, and despite the earlier undertaking given that the only thing the State would be responsible for would be to assist the Commonwealth in finding land for the station, we find the State is involved far more deeply than that.

The State is involved in the expenditure of loan funds; and surely this project is not the State's responsibility! If it is a defence project, then according to the Commonwealth Constitution it is the responsibility of the Commonwealth. You, Mr. Speaker, may argue with me and say it is not a defence project. However, the position is not clear, because there have been so many denials and restatements on the matter, including charges that the Prime Minister has deceived Australia regarding this base.

As recently as two weeks ago appeared this heading in *The Sunday Times*: "Public Were Deceived by Government

Tactics." The article pointed out that the question of the United States of America operating this base jointly with Australia had never been put to the United States. Now we have an agreement between the Commonwealth Government and the United States of America, placing this project at Exmouth Gulf. As far as I can see, from a defence point of view, the agreement is legally binding; and, in the circumstances, this is quite desirable.

The feature that is repugnant to me is that not until this point of time has it been suggested that this State should become financially involved in a defence project, spending moneys it can ill afford to spend.

Mr. Wild: Are you opposed to this?

Mr. **JAMIESON**: The Minister is not as smart as he sleepily thinks he is. I am not opposed to the base as such, but I am opposed to the State spending loan funds that should be made available to the Minister's department, and elsewhere. There are plenty of things on which to spend the money. Great Britain came here and entered into an arrangement with the Commonwealth Government in regard to the Blue Streak Rocket project at Talgarno, and that was the end of it. The putting up and pulling down of Talgarno did not cost the State one penny. On the other hand, we look like being involved in a recurring expense to service a foreign base on our soil.

Surely the entire expense associated with this base should be met by the Commonwealth Government! Not one penny should be paid from State funds. It is the responsibility of the Commonwealth Government to see the debt is funded; and if the Commonwealth Government does not want to take on this responsibility, it should pass it on to the United States of America.

My colleague, the honourable member for Gascoyne, pointed out that even in relation to the iron ore leases, private firms are called upon to build railways, jetties, schools, and ancillary things connected with the establishment of a town.

Mr. Court: For their direct employees, though.

Mr. **JAMIESON**: If the north-west base was not established, I suppose a lot of employees would need to be accommodated in the north-west?

Mr. Court: I hope you are pleased there will be some consequential growth with these things.

Mr. **JAMIESON**: Growth is always associated with settlement. Wherever a port is established, there is more growth than was previously the case. Nobody will deny that.

Mr. Court: That is not at the expense of the project proprietors.

Mr. **JAMIESON**: That has little to do with this particular project.

Mr. Court: It has everything to do with it.

Mr. JAMIESON: It has nothing to do with it whatsoever. As the Premier indicated, this base is purely for the sending of signals to various craft. I now understand the United States has gone cold on the base, although it will deny this. However, it will go ahead and complete it. It thinks there are better ways and means of having communications, but because it feels it is now committed it will carry on. But there have been some undercover developments which have occurred over the past year or so between the two powers which have been worried about one another, which make it obvious that the necessity for this base, and the other technical developments, is not as vital as was first thought. The base has become somewhat obsolete.

Mr. Brand: Where did you get this information? What is the basis of it?

Mr. Rowberry: Wouldn't you like to know!

Mr. Brand: I would. I'd love to know!

Mr. JAMIESON: It would appear that when the Premier was in the United States they were able to tell him plenty of things that impressed him; but whether or not they were entirely correct is another matter.

Mr. Brand: I am prepared to believe them. Are you?

Mr. JAMIESON: No; I am not. I do not believe everything I am told on these benches. People, such as the United States Government, are in these moves for their own good and not for our good.

Mr. Bovell: For our mutual advantage.

Mr. JAMIESON: Do not let us get upset about that. Our own mutual advantage? That has not always been so. Even a person with the advanced military knowledge of the Minister for Lands would know—

Mr. Bovell: I will tell you something in a minute about my association with Americans.

Mr. JAMIESON: Having occupied the paymaster's desk in the R.A.A.F., the Minister for Lands would have been a master military tactician—

Mr. Bovell: I had a close association with American servicemen in the progress of the war.

Mr. JAMIESON: —and he would have been familiar with all the up and coming top brass of the United States services. But the fact remains that we are stuck with something we have no right to be stuck with, and the Government is not doing the right thing by the people of Western Australia in allowing us to be encumbered with a project like this, which is going to cost us finance.

If there is a need to co-operate and have all sorts of things done, yes; but if somebody is building a project on his own volition, then surely we should not come from outside and put finance into it—and that is what we are being asked to do.

We have not seen the agreement. We do not know what it is likely to be. However, if we keep to the Bill, it merely amends the Real Property (Foreign Governments) Act to allow an increase in the lease of the size of the land. But that is not as far as the measure goes. Honourable members would be well advised to have a look at the position, because they will have to justify themselves to their electorates when loan funds are not available for projects needed in those electorates. If we do not put a penny into this project it will still go ahead and it will still be provided for—and the Premier cannot deny that.

Mr. Court: And you would be standing up next session screaming because Australians who wanted to live in the vicinity could not get accommodation or amenities.

Mr. JAMIESON: The Commonwealth would see that any personnel who had to be accommodated there would be accommodated, the same as it did at Talgarno, and the same as it has done at the Woomera Rocket Range—at how much cost to the State Government? Not one penny! The pipeline was put through from the Murray River, at how much cost to the South Australian Government? Not one penny!

Mr. Court: That is project expenditure.

Mr. JAMIESON: Of course it is a project! You may call it by any name; but the fact remains that this project is something for which the Commonwealth and the United States are responsible, and not the Government of Western Australia.

Mr. Court: And so they are.

Mr. JAMIESON: There are a thousand and one things that loan funds could be spent on.

Mr. Bovell: The spending of loan funds does not apply to these 100 acres.

Mr. JAMIESON: We are crying out for additional hospital accommodation in the metropolitan area. So what do we do? We dig our loan funds into the ground of the North West Cape, which is not our responsibility.

Mr. Bovell: That is not within the 100 acres.

Mr. JAMIESON: I know that.

Mr. Bovell: Then what are you talking about?

Mr. JAMIESON: As I pointed out to the Minister's brother Minister, how many people would be living there if it were not for that project? None!

Mr. Bovell: But they will be living there, and they will be employed.

Mr. JAMIESON: Of course they will be living there and they will be employed, but because of the project.

Mr. Bovell: And as Western Australians they will be entitled to services.

Mr. JAMIESON: They would have got services if they had lived at Talgarno, and it would not have cost the State anything; and this project should not cost the State anything.

The Government would be well advised, before it enters into any agreement, to make sure the Commonwealth Government pays the bill. The agreement has not yet been approved. It will no doubt be one for executive approval. I suggest we have far more things to do in this State with our £500,000 odd, plus more recurring expenses which will arise in respect of loan funds that are available. If Mr. Phillips were doing his job right on the Grants Commission, this is one way where he would be entitled to criticise the Government and penalise it for putting money into defence when it is not the responsibility of a State Government to do so.

MR. BRAND (Greenough—Premier) [5.38 p.m.]: I was interested in hearing what members of the Opposition had to say about this matter. It is as well to be reminded that they did not keenly support the establishment of this station from the beginning.

Mr. Davies: Yes they did!

Mr. Graham: That is totally untrue.

Mr. BRAND: So much so that it became the issue of a Federal election.

Mr. Graham: The distortion did.

Mr. BRAND: No-one can really deny the fact that it was the discussion of this and other matters that originated the famous "Thirty-six Faceless Men".

Mr. Graham: Which has been going on for 80 years.

Mr. BRAND: Therefore it is not surprising to see the approach of honourable members opposite.

I want to make it clear, in fairness to the Americans, that they said they would be prepared to provide all the accommodation and all the facilities necessary to run the station. They did not ask the State Government to come in. They laid it down quite clearly and, in fact, gave it to us in clear terms that "We are prepared to build the accommodation; we are prepared to provide the services; we are prepared to provide medical and educational services in this faraway and isolated place." So the State Government, with a little more vision than one or two honourable members opposite, decided that

here was an opportunity, anyhow, to develop a worth-while town at Exmouth Gulf.

Mr. Bovell: With Australians.

Mr. BRAND: With Australians. There was one question to be considered at the time: If we were able to keep Australians away; to keep tourists, and other people who were going to this area, away from the area, then we might have shrugged our shoulders and said that we had no responsibility. Everyone in this Chamber knows the development of this station will bring related development; something which would be secondary to the main station. Development, could include the establishment of a hotel, or motel, or service station, or a caravan park, and a hundred and one other things which would come as a result of 70,000,000 dollars or £40,000,000 being spent in this area.

We hear so much about decentralisation. Here is a wonderful opportunity for developing a town hundreds of miles from Perth, based on this station; and no-one can deny that. There was an approach made by the Western Australian Government, and indeed by the Australian Government, regarding the desirability of having an integrated community of Americans and Australians; and it was the Australians who put forward the suggestion. This town could last for 25 years—who knows! Surely it is a most desirable development that these communities should live in the one area! It was as a result of this approach that the Americans came forward with the idea of building these houses outside the compound, and that they should become part of the townsite.

When it came to the question of paying—and, by the way, the Grants Commission does not deal with loan moneys—we approached the Commonwealth. It said, "Based on our estimate of costs, we are prepared to pay half," and surely it would seem to be good investment to spend £500,000, or more if necessary, to develop a town!

Mr. Jamieson: I wonder you didn't buy into Talgarno!

Mr. BRAND: Talgarno is a thing of the past. What is wrong with developing a town in the north? I would ask the honourable member for Gascoyne a question: Is this not highly desirable? Of course it is!

Mr. Graham: It is just a question of who pays.

Mr. BRAND: It is a question of ordinary State development. This is very good development.

Mr. Graham: No it's not!

Mr. BRAND: The houses which are being built with State money are to house Western Australians. Surely we do not want them to be housed in the metropolitan area! Wherever we are building houses,

we are providing accommodation for our own people, and it does not matter whether it is at Exmouth Gulf—

Mr. Tonkin: Or Whim Creek.

Mr. BRAND: Or Whim Creek.

Mr. Tonkin: Houses with nobody in them!

Mr. BRAND: There is the Deputy Leader of the Opposition coming in on the "side." Whim Creek is a thing of the past. We are talking about the development of the Exmouth Gulf townsite; something which is here to remain; something which is worth-while development in connection with decentralisation and the peopling of the north.

The honourable member for Beeloo spoke about secret information which he had to the effect that America is having sort of second thoughts about a mere £40,000,000 project: that it was going on with it because it had promised to do so.

Mr. Jamieson: I didn't say I had secret information.

Mr. BRAND: That was an absolute lot of nonsense. So far as defence is concerned, every Western Australian is conscious of the fact that this communications station is closely related to the defence of this area. These stations are being developed not only here but also in other parts of the world. Whatever I said in London, or whatever I said to the honourable member by way of interjection, it is closely related. When I was speaking in London I said that this was not a military base. I was pointing out that it was a communications station, which has been confirmed by the Americans from time to time.

Mr. Rowberry: And is of no military value.

Mr. BRAND: What utter piffle! Of course it has military value! It has defence value. The fact is that this expenditure by the Americans on the north-west coast of our country is certainly a most worth-while contribution to the defence of this country, and more particularly in the period in which we live, and because of the atmosphere in which we find ourselves living.

It is of no use members of the Labor Party decrying the fact that we have, to some extent, made an investment to obtain very real benefits in the way of an organised town—one which has been planned; one which will have sewerage and other modern amenities.

The honourable member for Gascoyne mentioned various problems that he thought would arise, and referred to the question of sewerage. This sort of thing is already known by the departmental people. They know the problems involved in putting down a sewerage system in this particular area. They know the cost of houses and all the other problems that will have to be met. Even if this State spends

more than is envisaged on the development and the expansion of a townsite at Exmouth Gulf, what is wrong with that? I ask honourable members opposite: Do we have to build houses in Perth to satisfy the people? Of course we do not!

Mr. Toms: I'll say you do! Plenty of people don't have them.

Mr. BRAND: There are plenty of people outside the metropolitan area who are anxious to get houses, too. What we want to do is build houses outside the metropolitan area to attract them away from the city, and this is a practical move towards decentralisation. I strongly defend the decision of the State Government in coming in on the basis that has been outlined. If the Labor Party were in office at this present time it would be doing exactly the same thing as we are doing except that it would be crowing a little more about its achievements.

This is a very worth-while contribution towards getting people to live in the north. As far as the services up there are concerned, I believe they will be equal to any available in other modern towns that have been developed in this State. The station in this area will become a tourist attraction and the roads constructed up there will not cost any more than other roads which have been built in the north by the Main Roads Department. It is essential to seal the roads because of the dust problem where there is a concentration of people, and the financing of the roads is on the same basis as with all the other projects in which the Main Roads Department takes a part.

The peninsula is a very fine fishing spot, and an airstrip has been established there. The amenities provided will make for great development. While the honourable member for Beeloo might smile supremely because, having made his speech, he believes he has put everybody on a spot—

Mr. Graham: He certainly put you on a spot.

Mr. BRAND: He certainly did not put me on the spot. This matter can become an issue; because the £500,000, or let us say the £900,000, which the State might spend—if it does have to spend that much—will be worthwhile expenditure. We will see the results from this investment by way of real decentralisation, and we will be backing up a project which is essential to the security of this State. I support the Bill.

MR. BOVELL (Vasse—Minister for Lands) [5.49 p.m.]: This Bill, of course, deals with a matter which is completely outside the project entered into by the Australian Government and United States Navy in regard to Exmouth Gulf. The Statutes of Western Australia restrict the leasing of an area, or the making available to foreign powers land in excess of

five acres. It was considered to be a better idea if the United States Navy, with the approval of the United States Government, had its personnel quartered in the town of Exmouth which the Government of Western Australia has decided to establish. Because of this project many Western Australians will go to the town for various reasons, some of which have been stated by the Premier, and for that purpose it was decided to plan ahead.

As I said when I introduced the Bill, it was first decided to make available only 35 acres of land, because, as far as we could see, that would provide sufficient space for the purpose of the American naval authorities. However, it was considered desirable to provide 100 acres to cope with expansion, and the United States Navy will provide its own houses and its own amenities on that 100 acres. The whole townsite will be approximately 1,100 acres, and the area over and above the 100 acres will be developed in the normal course of town development as we know it with the provision of such amenities as educational facilities and the like. This land is to be provided at a peppercorn rental.

The Commonwealth has power under the Defence Act to take any land it needs for defence purposes, and it has already acted in that regard and taken over approximately 18,000 acres. The Americans could have established their centre in that area, but it was considered desirable to establish a townsite where Australians and Americans could work side by side and share a community life. The Commonwealth could have acted under its defence powers and taken over the 100 acres involved, or as many hundreds of acres as it wanted, and it could have said to the Americans, "There you are. Go ahead."

However, the State Government decided it would establish the townsite at this other spot because it was considered that to have all the personnel together in the one community would serve the best interests of Western Australia. Any development by the State that is to take place there will be on the area outside that provided for the United States Navy. It is estimated that up to 200 workers will be employed on projects of one kind or another, and therefore more employment will be available for Western Australians.

Mr. Davies: Who will actually have control of the town?

Mr. BOVELL: Therefore I cannot see any harm in the fact that we propose, under this legislation, to provide 100 acres overall for leasing—and it is only leasing, and no title is involved—for the use of the United States Government for a period it considers is desirable for its purposes.

Mr. H. May: How do you know they will stay there?

Mr. BOVELL: That remains to be seen. How do we know that people will stay in Collie? The honourable member for Collie was complaining about the empty houses in the townsite of Collie.

Mr. H. May: And quite rightly so, too.

Mr. BOVELL: I think that position has been remedied.

Mr. H. May: Wouldn't you complain about it?

Mr. BOVELL: I think the honourable member did.

Mr. H. May: Wouldn't you complain? Of course you would!

Mr. BOVELL: But the position in Collie has remedied itself.

Mr. H. May: You want to go down and have a look.

Mr. BOVELL: The position in Collie is much improved, and it will continue to improve because of other circumstances.

Mr. Tonkin: With the influx of old-age pensioners

Mr. H. May: You have still not answered my question.

Mr. BOVELL: The honourable member for Beeloo chided me in regard to American servicemen. It was my privilege to be closely associated with them during the war and, with your permission, Mr. Speaker, I will relate three instances where I had very close contact with American servicemen who were of benefit to Australia, and particularly Western Australia. In the first instance I was stationed at Pearce.

Mr. Tonkin: Isn't this new matter?

Mr. BOVELL: It is not new matter. I am replying to the honourable member for Beeloo who raised this question.

Mr. Tonkin: You are allowed only a passing reference.

Mr. BOVELL: I am relating my experiences with American servicemen during the war. In the first instance I was at Pearce when the evacuation of the north-west and the Kimberleys took place. It was American servicemen who ferried the people down—women and children—and they landed at Pearce. I was one of those responsible for assisting these people to be assimilated in the community down here.

Mr. H. May: Who is arguing about that?

Mr. BOVELL: These people were brought down by the Americans who were flying Fortress and Liberator aircraft. Later I went north to Darwin at the time of the Japanese raids. Had it not been for the American servicemen arriving up there when they did we would have been short of certain supplies. Again, in the islands, just before Japan surrendered, I happened to be stationed at Madang. I was Assistant Staff Officer (organisation) for the Northern Command of the Royal Australian

Air Force; and had it not been for the Americans we would not have had tents to sleep in. So if honourable members want to know what American servicemen did for Australia during the war let them read or hear about some of their exploits.

Mr. Jamieson: We have just as good a memory as you have.

Mr. BOVELL: None other than the then Prime Minister of Australia, the late John Curtin—

Mr. Jamieson: Did he give away a piece of land to them?

Mr. BOVELL: —acknowledged the contribution that Americans had made to help Australia in the time of need.

Mr. Graham: That has never been in dispute.

Mr. BOVELL: This is to our mutual advantage.

Mr. Jamieson: Did he ever give away the sovereignty of any Australian territory?

Mr. BOVELL: This is not a question of sovereignty over the land. This land is to be leased. Mr. Speaker, I thank you for your indulgence in allowing me to reply—

Mr. Graham: I should think so.

Mr. BOVELL: —to the honourable member for Beeloo. He is not old enough to understand.

Mr. Jamieson: I was up at Exmouth with you.

Mr. BOVELL: I am talking about during the war.

Mr. Jamieson: Yes, during the war.

Mr. Graham: The Minister was in the officers' club.

Mr. BOVELL: At least if I was in the officers' club I had a right to be there; and that is more than some people can say. I believe this measure is in the interests of Australia and Western Australia. The matter of negotiations over the project is one for the Commonwealth and the United States Governments. This measure is simply to give the State the power to lease an area of up to 100 acres to the United States Government for use as part of the townsite of Exmouth.

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 Mr. Bovell (Minister for Lands), and transmitted to the Council.

BILLS (2): RETURNED

1. Used Car Dealers Bill.

Bill returned from the Council with amendments.

2. Town of Claremont (Exchange of Land) Bill.

Bill returned from the Council without amendment.

IRON ORE (HAMERSLEY RANGE) AGREEMENT ACT AMENDMENT BILL

Second Reading

MR. COURT (Nedlands—Minister for Industrial Development) [6.2 p.m.]: I move—

That the Bill be now read a second time.

When I introduced the agreements in respect of the Mount Goldsworthy Mining Associates and Mount Newman Iron Ore Co. Ltd. last week, I indicated that there would be a Bill introduced to provide for some amendments in the Hamersley Iron Pty. Ltd. agreement.

The Hamersley Iron Pty. Ltd. agreement was ratified by Parliament last session. The companies directly interested in the Hamersley Iron Pty. Ltd. venture are Conzinc Riotinto of Australia Limited—60 per cent.—and Kaiser Steel Corporation of California—40 per cent. During the negotiation of the Mount Newman agreement—which for all practical purposes has the same objectives and requirements as the Hamersley Iron agreement—it was pointed out that there are some provisions which should be expressed in a different form.

For the information of honourable members I want to add that it was the intention of the Government under its understanding of the original agreement—that is, the Hamersley Iron agreement—that the method of interpretation now clarified in these amendments would have been applied. I think that would have been the wish and intention of any State government. However, in the course of detailed negotiations that went on with the Mount Newman agreement it was pointed out that these things were not expressed in terms that would be clearly understood by successive administrations, and we readily agreed.

It was agreed at the time that if these variations were agreed to in the Mount Newman agreement it would only be fair to give Hamersley Iron Pty. Ltd. an opportunity to consider these variations and, if necessary, have an appropriate amendment made to its agreement. This has

been done, and the supplementary agreement for which ratification is now requested is the result of this having been done. These amendments cover the following points:—

- (1) Change in definition of "export date" to provide for any extended period beyond three years following the "commencing date" which is agreed to under the terms of the agreement.
- (2) An additional definition, namely, "processed iron ore" to be added to facilitate drafting.
- (3) If the company is unsuccessful in securing iron ore contracts at an early stage—

that means during the current round of negotiations taking place between the companies and the Japanese steel industry—

—but demonstrates its *bona fide* attempts to get contracts on a competitive basis it may be granted such extensions of time as the circumstances warrant as provided for in the Mount Newman agreement.

- (4) Other amendments deal with extensions of time in certain circumstances to accord with the other agreements.
- (5) Clause 12 extends to Hamersley Iron Pty. Ltd. the same privilege for supplying personnel in the operation of its port for the use of others as has been accorded to the Mount Newman company.

A study of the agreement will help honourable members appreciate the importance of this single system of control in a port such as this.

- (6) Clause 15 allows some flexibility if circumstances prevent the company from economically processing quantities of iron ore suitable for treatment under the original agreement.

This flexibility does not mean that the company will not have to provide the same ultimate volume of production of secondary processed material as the original intention stated. But it does allow some flexibility if in the course of opening up its facilities the material produced in a natural way from its operations does not prove economic for processing in quantities at certain stages.

- (7) The final clause enables the Government to give some relief against the rigidity of the original agreement which prohibits the company from exporting a tonnage in excess of 5,000,000 tons a year in certain circumstances. This again accords with the provisions of the Mount Newman agreement.

I should add for the information of honourable members that just as it was thought fit that these provisions that appeared in the Mount Newman agreement should be brought to the notice of the Hamersley Iron people, so reciprocal action was taken to make sure that the Mount Newman Iron Ore Co. Ltd. would know of the amendments that were being incorporated by this supplementary agreement, because of the objectives in the two agreements being approximately the same. They have acknowledged that they consider these amendments are fair and reasonable, and that they have not introduced any new material.

Debate adjourned, on motion by Mr. Bickerton.

IRON ORE (MOUNT NEWMAN) AGREEMENT BILL

Second Reading

Debate resumed, from the 27th October, on the following motion by Mr. Court (Minister for Industrial Development):—

That the Bill be now read a second time.

MR. BICKERTON (Pilbara) [6.9 p.m.]: The Bills contained in orders of the day 7 and 8 are very similar in nature, and in some cases they contain very much the same clauses throughout the agreements. They also have in common the fact that the companies concerned in both will be utilising a common area on the coast for their loading purposes, even though the actual loading facilities themselves are somewhat similar, and the mineral leases or reserves are in areas up to a point adjacent to one another. Because of this it is rather difficult to deal with one agreement without dealing with the other. So many of the statements made in connection with one measure—that is, the Mount Newman Iron Ore Agreement—will also apply to the agreement between the Mount Goldsworthy iron ore company and the Government.

We know that Western Australia has what we might call plenty of iron ore. Apparently the steel industries of the world still require iron ore; and although their sources of supply from other countries of the world are fairly adequate, I think it is generally conceded that the geographical position of Australia, and its political stability—regardless of which party is in power—must of necessity appeal to certain countries which desire to make long-term contracts for the supply of this particular mineral.

The contracting companies in these agreements—and we have had two or three of them up to date—become, I think, virtually the middle man in the whole set-up. The State possesses the iron ore, and there are still firms throughout the world which desire to purchase it under certain conditions. The companies must feel in their own minds that they have the

ability to test the iron ore and transport it from the mineral leases to the consumer point, and they have accordingly made contracts with the Government to achieve these ends.

For this privilege—if it can be called a privilege—the companies will pay to the State Government certain royalties; and I have no doubt that they hope in return to receive a profit on their contract from the other end. I suppose we can call these companies the reverse of the meat in the sandwich. They would represent the piece of bread between two slices of meat. The two companies concerned—and I am dealing with the main one, namely, Mount Newman Iron Ore Co. Ltd.—comprise the American Metal Climax steel company and the Colonial Sugar Refining Company of Australia on a basis—as was pointed out by the Minister—of a 55 per cent. interest to American Climax and 45 per cent. interest to C.S.R.

Broadly speaking, the agreement giving the companies the right to export iron ore is subject to Commonwealth approval. This also gives them the right, if and when they see fit, to process iron ore, both in the preliminary stage and finally—if it reaches that point—in the actual production of steel. The companies are really not obligated so far as the production of steel is concerned.

This agreement is similar to that with Riotinto—what is known as Hamersley Iron Ore. It is a provisional agreement and many circumstances must take place before the agreement actually comes into force so far as this particular company is concerned.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. BICKERTON: Of the two agreements—the one before us now, and the one to follow—the first is made between Mount Newman Iron Ore Company Ltd. and the Government; while the second is an extension of the agreement which was ratified during the last session of Parliament between Mount Goldsworthy and the Government.

When I spoke on the Hamersley iron ore agreement I referred to the number of provisional agreements that were put through, prior to an export license being granted. What I said on that particular occasion appears on page 1668 of the 1963 *Hansard* as follows:—

Up to this stage we have had two provisional agreements drawn up, and they should suffice. From now on I hope that agreements made by the Government will be definite agreements. I hope that prior to entering into agreement with the Government the companies will carry out testing and assure themselves about the practicability of the proposition, and will have the markets already established, before signing an agreement, so that

they will be able to go ahead with the projects. I do not think that such a procedure is unreasonable.

On the two occasions I have mentioned the Government might consider its course of action to be reasonable. Perhaps it was reasonable; but these two agreements involve a very large quantity of iron ore, and the deposits will be tied up for a very long time under the terms of the provisional agreements. So it is not unreasonable to suggest that we have now carried out sufficient exploratory work in respect of iron ore; that we have sufficient provisional agreements; and that in future agreements should be definite regarding the sale of iron ore.

The Bill before us deals with another provisional agreement. In the hope of ascertaining what was in the mind of the Government regarding the sale of iron ore, I asked a question of the Premier on the 29th October. My question was—

As there are two important provisional iron ore agreements before Parliament for ratification, will he acquaint the House with any details he possesses concerning the sale or possible sale of iron ore at the present time, in the near future and/or the distant future?

The reply of the Premier was—

Negotiations between the companies which have rights over major deposits in the Pilbara area and the Japanese steel industry have reached an advanced stage following extensive exploration and proving programmes by the companies as well as extensive civil engineering and metallurgical surveys. Without firm agreements with the Government these negotiations cannot be finalised.

The Government is confident about the outcome but it would not be desirable at this stage to comment publicly on the details of discussions that have taken place.

I have to accept the reply of the Premier that without firm agreements with the Government these negotiations cannot be finalised. A member of the Opposition, regardless of which party he belongs to, cannot participate in the negotiations leading to such agreements, so one can only accept the word of the Premier that the ratification of the agreements is necessary before negotiations can proceed beyond the stage they have reached. The Premier stated in his reply that the Government was confident about the outcome, but that it would not be desirable at this stage to comment publicly on the details of discussions that had taken place.

In view of the assurance given by the Government that sales of iron ore are likely to be made in the near future I am prepared at this stage to support the new agreement. I do so because I realise that

it must be an advantage to a company which is endeavouring to negotiate a firm deal on the export of iron ore to know that the measure has the support of the Opposition. Of course it would be known to it that even if the measure were opposed by the Opposition, the Government would have the numbers to carry through the ratifying Bill.

However, it gives it some peace of mind to know that the Opposition—which after all is the alternative to the Government—supports the measure; and that it would have support, regardless of which party was in office. For that reason, and in view of the assurances given by the Premier and the Minister for Industrial Development when he introduced the Bill, I am prepared to give the Bill my support; but I still have some misgivings that we are, in fact, tying up large areas of iron ore deposits.

There is one point I have difficulty in understanding. The Mount Goldsworthy and Mount Newman iron ore deposits are in much the same area of the north-west; and, in fact, the ores are of a similar type. In reply to a question which I asked recently in this House on the composition of the minerals in those two deposits, the Minister representing the Minister for Mines said there was very little, if any, difference, and that both these ores are of the hematite type. I suppose the quantity of iron ore in the Mount Goldsworthy deposit would be sufficient for finalising an agreement for export to the Japanese, without the need for another company to come into it at all.

In introducing this measure the Minister referred to a competitive type of selling campaign, with a number of companies in the market. I do not know who benefits from such competition, assuming the ore is somewhat similar in the Hamersley, Mount Goldsworthy, and Mount Newman deposits. The only people who would benefit from the competition would be the buyer of the product.

The State cannot benefit very much, because the royalty in all cases is fixed at the same figure; namely, $7\frac{1}{2}$ per cent. of the f.o.b. price, with a minimum of 6s. a ton. So regardless of whichever company sells the ore the Government receives the same amount of royalty. If there is a market for, say, 5,000,000 tons of iron ore per year in Japan it makes no difference to the State, in the royalties received, whether they are paid by one company or by three companies sharing the total production.

The only advantage of the royalties coming from one company is that one reserve of iron ore is used at a time, rather than several where the ore has to be brought from various centres in the north-west. In that event the deposits which are still available will be at the disposal of the Government for the purposes of new negotiations on equal, or

better, sale terms than those already operating. That was one of the points of disagreement between the Minister and me over the iron ore agreements. I realise that a provisional agreement is necessary in the initial stages. Thereafter there should be firm agreements; and the export market could be supplied by the company which had the original agreement.

The agreement in the Bill is, in fact, between Mount Newman Iron Ore Company Limited, which comprises American Metal Climax Incorporated and the Colonial Sugar Refinery Company on the one hand, and the Western Australian Government on the other. American Metal Climax has a 55 per cent. interest in the company, and Colonial Sugar Refinery has a 45 per cent. interest.

The Minister pointed out that it was a good thing from Australia's point of view that Australian capital shared in this company. I go along with that remark. I am assuming the money going into the company from Colonial Sugar Refinery is, in fact, Australian capital.

The difference between the agreement before us and other provisional iron ore agreements is the extension of time that may be given to the companies to commence their operations. After the 31st December, 1964, the Minister can, in effect, give an extension of six months to enable the companies to make firm export arrangements. After the expiration of that time he can grant a further period of three years, and then another period of two years. There is provision in the agreement to permit other extensions of time, as the Minister may see fit to grant.

We are therefore safe in saying, whilst this Bill is before the House that there is to be a period of $5\frac{1}{2}$ years which the companies can use for their operations before they make firm export arrangements; and during that time much of the agreement in the Bill will not apply, because it commences from the time the company takes up the mineral leases, and not during the time that provisional arrangements are made for it to have prospecting and testing areas.

This agreement, like the one with the Mount Goldsworthy Company, does call on the company to supply many facilities, quite apart from the facilities supplied at the mine. It calls on it to supply very extensive port facilities and, of course, the methods of transportation from the mine to those port facilities.

I have studied the plan which has been supplied of where the company proposes to install its loading, stockpiling, and processing facilities, and both companies have decided to locate these facilities in the area of the Port Hedland township. I feel it is a great pity, and I think the Minister may go along with me on this, that these two companies could not get together to have a common

loading point. As it is now, they have both decided on systems of loading ore separated by three or four miles in that Port Hedland area. Had they been able to come together and make one loading point for the both companies, I think that, as well as creating economies, it would, between the two, have presented a much tidier picture as far as the township of Port Hedland is concerned.

As it is now, Mount Newman has decided to go in for a system of stockpiling areas, and later processing plants, in an area of Port Hedland known as Pretty Pool, necessitating a jetty of types. It would only be a jetty, of course, capable of taking such a thing as an elevator belt for the transportation of iron ore, and then considerable mileage of dredging from there on out to the deep water channel. The trestle system alone would be about 7,000 ft. out from the shore before the dredging commences to connect this point up to the deep-water channel where it would be possible—according to the experts anyway—to load 60,000-ton vessels and, perhaps later, 100,000-ton vessels.

The Joint Venturers of the Mount Goldsworthy concern have selected a point known as Finucane Island, which will only be perhaps half a mile away across water over the Port Hedland Harbour. It is not really an island, except perhaps at high tide. It is connected to the mainland by mangrove swamps and marshes. Those in the Mount Goldsworthy concern appear to me to have confined themselves to quite a small area of land, in view of their talk of future expansion—one which would require a great deal of filling with the material which comes from dredging, because they, too, are in a position where they have to dredge a considerable distance—probably three miles or more—to reach the deep-water channel. Their theory, I would imagine, would be that the inside of the harbour would give them protection in periods of cyclones. The other company, of course, believes that is not necessary, so it wants to go out into the open bay.

I understand that in the negotiations with these two companies the Government did engage a firm of experts. I think it was Sir Alexander Gibb, but the Minister can correct me on that if I am wrong. Between the three of them, these parties decided apparently that it was best for both the companies to do what the companies wanted to do. I have not quite got out of the Minister just what his idea was on the matter, or whether he went along with the majority decision rather than upset the companies. However, these port installations are such that they do not have to be put in at this moment.

One of the most important things is, of course, the selling of the iron ore, or the obtaining of contracts with Japan or whatever other country prefers to use our iron

ore. It is only after these particular contracts are signed that the Government does, in fact, have to come to real grips with the system of loading. Clause 5 of the schedule reads—

5. (1) As soon as possible after the execution of this Agreement the Company will submit to the Minister its proposal for the location of a site for the harbour and the Minister will within one month notify the Company of his approval or otherwise or may submit an alternative proposal.

I am going to say to the Minister, even though he has assured me that the best brains have been studying these matters, that perhaps he could utilise a few more brains, not quite as good, before this programme is finalised. I would hope some improvements could be made if what is put forward provisionally here is likely to become the final agreement.

The town is far too cluttered up. Port Hedland is a town of length rather than width. Owing to the nature of the country, lack of high ground exists; and as the provisional plan sets out, Mount Goldsworthy is on one end of it and Mount Newman loading facilities on the other. Mount Goldsworthy, to further this—what I consider—congestion, requires its housing arrangements to be situated on Finucane Island, plus its industrial area; and I was rather surprised to see when looking into it, that the pelletising works—that is, the preliminary type of processing works which the company is, under certain circumstances, obliged to put in—are situated at the loading point.

I must admit that in the first instance I was under the impression that most of the processing would be done at the mine end rather than the port end. I have no doubt good reasons exist for its being done at the port end, but it means that there will be squeezed into a very small area railway lines, turning-round points, stockpiling areas for iron ore, and processing machinery by way of pelletising plants.

Therefore, if we start from one side of Port Hedland, we would have housing for Mount Goldsworthy; then its industrial area; then a port which is industrial, of course; then the town housing plus the business area of the township; then another industrial area for Mount Newman; then the Mount Newman housing project; and as the present town is within one mile of the Mount Newman industrial area, if that extends out we would have another jump over the top of the Mount Newman housing to commence another town.

Whilst I am no authority on town planning, it does not give me the impression that it will be an ideal set-up. With these pelletising plants it is very difficult to ascertain what is involved, because so many types of pelletising plants are manufactured; and each one of them, of course,

goes a bit further in the processing than the other. But pelletising plants can be anything—from what I have read of them—from something a mile long to something which could fit inside this Chamber. I do not know what these people have in mind by way of pelletising; and, of course, we could read the agreement from now until Kingdom Come and we would not find out. It is a matter of the information given to the Government concerning the intentions of this particular industrial aspect of the situation.

I would think that pelletising would be essential, from the company's point of view, and possibly in a fairly short period of time, because it would appear that pelletised iron ore is becoming more popular and in much greater demand than the ordinary run of mine iron ore as is described in the agreement. I think it is referred to as direct shipping ore.

I was rather impressed on this matter of pelletising, and I was reading the annual report of the Cleveland Cliffs Iron Ore Company, and the address to the shareholders by the president of that company, which is possibly one of the biggest steel companies in America. It has other subsidiaries besides that. The president said—

The year 1963 was one of considerable progress for our Company. It was also a year that saw the continuation of the pellet revolution in the iron ore industry. We made major progress in pellet production both in new plants and new processes. New production records were established at both our mines.

It names the mines, which do not matter in this case. Continuing—

Equally important our new Empire mine started up in December and after only a few weeks of activity, was operating at more than 15 per cent. above rated capacity of 1,200,000 tons per year. We feel this is a remarkable achievement considering the pioneering required in the process, the first completely auto-genous iron ore grinding facility in the world.

The increased demand for pellets by the steel industry has more than justified the large capital expenditures we have made in the last few years on pelletizing plants. Since 1956, when we pioneered the first commercial hematite iron ore pellet plant, we have shipped every ton of pellets that we have produced.

The bright prospects for pellets must be tempered somewhat by the dwindling sales of natural ores which have become a real problem in the industry.

I think that final remark is the most important one at this stage—that the bright prospects for pellets must be tempered

somewhat by the dwindling sales for natural ores, which have become a real problem in the industry. He goes on to say that the lower demand for this lower run of ore will naturally put the company in a position where it will be up for greater sums for expenditure on pelletising. I make reference to that remark in particular because of the area where it is proposed, under this provisional agreement, to install these pelletising plants.

As I said before, this Government and the Minister are in a position to further negotiate concerning these loading points before any finalisation really takes place; and I hope the greatest thought will be given to that matter.

I would also suggest to the Minister that during the negotiations on these matters a representative of the local authority be brought into the discussions. A local authority can, I think, do a lot of good. It can be very co-operative, or otherwise, so far as the companies are concerned; and I am sure the companies who are parties to the agreement would be quite happy for a local government representative to take part in the discussions.

Mr. Court: That has been done at Port Hedland, and the local authority has been most helpful.

Mr. BICKERTON: I realise that something has been done by way of acquainting the local authority with what is going where; but when we have discussions with individuals on local authorities we find they are not thinking in terms of large processing plants in these areas. Whenever there is any type of processing plant for a mineral like iron ore there will be dust problems, and even though there may be some form of wet process—I am not an authority on pelletising plants—I think there would be a considerable amount of noise and dust.

Both these plants will be in close proximity to residential areas. In fact, the railway line will be right up against them in one place; and when the town extends down from where it is now, as one would expect it to do if these projects go ahead, the town is going to butt up against the site of the Mount Newman industrial area on the west side.

So I say again to the Minister that I think the local government is in doubt as to where something, and just what it is, is going. I think he will also find that local authorities—particularly in these towns—will, naturally, go out of their way to assist with any project for getting an industry; and I think it is a good thing that they should go out of their way in regard to being co-operative in order to obtain an industry; but it could be that in their eagerness to co-operate there could be some matters that would not be made known to them but which would become evident later when the industry was established.

I wonder—perhaps the Minister can help me here—why the pelletising plant should be right at the point of loading. The Minister has told me it has not been possible to get the companies to agree to use one set of loading facilities. But the thought that strikes me is: Can they come together on the point of using one set of pelletising plant for processing ore? Unless there is a particularly good reason why the processing and pelletising has to be right at the end of the jetty, or at the end of the port on the other side, I would point out that we are not short of land at the back of Port Hedland; there is a considerable amount of it.

If this industrial area is going to be a big one, then surely the line coming from Mount Goldsworthy in the north and the line coming from the south, could combine at some point or another where there is a common industrial area, and the product could be loaded from there on to the ships.

I listened with interest to the Minister on that point, but I would say to him that while I do not deny for one moment, as he says, that the Government has had the best brains looking into this question, I have seen on many occasions where the best brains have looked into some problem, and it has been surprising how often the little office boy, with his runny nose, comes along and finds the solution to it. It is possible that with a little more investigation into this matter, a solution along the lines I have suggested could be found.

I have often thought, too, that in regard to agreements of this nature, in the preliminary stages of negotiation, or when they get to the stage where proposals are put forward as to where the actual port is to be established, and so on, a representative of the Opposition could do a lot of good. When all is said and done, the companies deal with the Government of today who could be the Opposition of tomorrow, and *vice versa*; and it must be to their advantage to know that they have the co-operation of the whole of Parliament rather than just the particular party that is in power at the time. If the Opposition of the day were acquainted more with the inner details of these matters, it could be of great assistance.

After all, I do not think an honourable member who sits on the right of the Speaker need necessarily be more interested in the progress of the State than one who sits on the Speaker's left. We do hope that all members of Parliament in this House are interested in the progress of Western Australia, and the progress, particularly, of such areas as the north-west areas, which are isolated.

Whether my suggestions be taken lightly or otherwise, I still stand by them. I think that the more co-operation there is between the Government and the Opposition on these matters, the better chance

we have of giving these companies that are prepared to establish themselves in the State the feeling that they are wanted, not just by the Government, but by every member of Parliament. Provided, of course, that the agreement is a reasonable one, I think it would be welcomed, whether it be this industry or any other industry, equally by members of the Opposition as by members of the Government.

As I have said, dealing with the matter of establishment, the obligations of the companies are great. Indeed, not only are the companies in a position where they have to put in deep-water channels, as was pointed out when the Bill was introduced, by dredging in one case some three miles, and in another, five miles; but they are also required to provide expensive port facilities for the loading of ships of 60,000 to 100,000 tons capacity. There is a commercial port to be built to assist the companies to bring into Port Hedland, in the first place, the necessary materials for the various projects.

I was looking through the Minister's speech in respect of the obligation in connection with the existing harbour, and perhaps he could clear up this point for me: The Mount Goldsworthy company, apart from putting in its own facilities is obligated to continue dredging back to the existing jetty to enable ships of 10,000 to 15,000 tons to use the port of Hedland. At the present time the port facilities are restricted to vessels of between 3,000 and 4,000 tons. The Mount Newman organisation is obligated to put in commercial port facilities.

Mr. Tonkin: Only, "if."

Mr. BICKERTON: Yes. I covered that point by saying that it is a provisional agreement. If both companies were to carry this agreement through to its ultimate conclusion, there would be, for the iron ore loading facilities, a deep channel to the existing jetty, and there would be new commercial port facilities. If Mount Goldsworthy only were to go ahead, there would be a deep-water channel capable of taking vessels of 10,000 tons to 15,000 tons through to the existing jetty. That would give the deep channel for the commercial port without Mount Newman carrying out its obligation of installing a commercial port. On the other hand, if only Mount Newman were to go ahead, we would have the commercial port established by the Mount Newman company, but there would not be any deep-water channel.

Mr. Court: Yes there would.

Mr. BICKERTON: Who would put it in?

Mr. Court: Mount Newman; it would not build a jetty that could not be used.

Mr. BICKERTON: I am only referring to the Minister's speech here. I find that under this agreement commercial port

facilities are to be provided, but there is no obligation for Mount Newman to dredge the channel.

Mr. Court: Its commitment is complete; it does the dredging to the facilities.

Mr. BICKERTON: I wish now to deal with the royalties which are mentioned on page 29 of the schedule. On the direct shipping ore—or, as I would term it, the ore as it leaves the mine—this company has to pay $7\frac{1}{2}$ per cent. on the f.o.b. price, with a minimum price of 6s. per ton. The royalty on the fine ore is to be half that rate, and the royalty on any processed iron ore is to be 1s. 6d. per ton. These royalties are the same for both Mount Goldsworthy and Mount Newman; and, of course, they will be the same for the Hamersley Iron project.

I am not arguing on these royalties, but I wonder why for processed ore the royalty should be so low. Whilst $7\frac{1}{2}$ per cent. on the f.o.b. price may be reasonable, taking everything into consideration, the royalty on processed ore seems to me to be a bit low; but this does not seem worth raising a great deal of argument about as apparently the quantity of processed ore will be considerably less, if anything results from the agreement.

The rents are something that I have a little difficulty in understanding. I notice that the rent has been placed on the area which will be finally selected by the company; and bear in mind that in the case of Mount Newman there is an area of 750 square miles which the company, when the agreement is ratified, will have at its disposal. Then, after a given period of time, it is eventually to get down to a maximum area of 300 square miles, or less. That would enable the company to discard a considerable amount of the area over which it initially had iron ore reserves. I notice that on 300 square miles the rent is to be 3s. 6d. per acre; and when it drops down to 100 square miles the rent becomes 2s. an acre. There is not exactly a fortune involved in this matter, but I am merely seeking clarification.

It could be said, of course, that it would be an incentive to the company to maintain, finally, the minimum amount of reserve, and so throw the area open for pegging by other persons. On the other hand, I would think that any company would finish up with the best of an area of 300 square miles. I could not imagine a company, after prospecting an area thoroughly, retaining the worst part and giving away the best. Therefore, whilst the company can be charged for a large area at the rate of 3s. 6d. an acre, when the rate is applied only to the best portion of the area, the company is charged only 2s. an acre. However, the Minister may come to my aid on that question; but it seems to me that if 3s. 6d. an acre is a reasonable charge it should remain at that figure.

I repeat that the money involved is not a great deal because there are 640 acres to the square mile, and the amount paid by the company is £6,000 based on 2s. an acre for 100 square miles. This may not be a great deal of money, but it would be the difference between that and £12,000 odd when the charge is 3s. 6d. an acre.

As to the matter with which I was dealing earlier—the mineral composition of the ore in this area—for the record I refer to the question I asked the Minister on the subject. The question I asked at that time was: What is the difference, if any, in the mineral composition of the ore of the Mount Goldsworthy project, and that of the Mount Newman iron ore deposits? The Minister replied—

Virtually none at all. Both are high-grade hematite ores low in phosphorus, low in sulphur, and with a high iron content, suitable for steelmaking.

That was when I was dealing with the necessity, at this stage, of bringing the other companies within the terms of the agreement. In fact, it gives the Mount Newman company better bargaining powers with a ratified agreement; but in view of what the Minister has said about its being close to finalising the export of iron ore, apparently that company has not done too badly without an agreement, and we should also bear in mind that both the Mount Goldsworthy and Hamersley iron ore organisations have had a ratified agreement for some time and apparently it has not done those companies any more good than it has the Mount Newman company.

In all these agreements there is included a clause relating to the manning of leases. I think it is a point we should clarify. I agree that the exemption from labour manning conditions under the Mining Act would be essential in a project of this nature. The leases are so extensive in area that if the companies were forced to man them in accordance with the provisions of the Mining Act they would be obliged to employ a large number of men. The Mining Act provides that a mineral lease must be manned by three men to each 100 acres. Therefore, if this company manned its leases to the maximum degree, over an area of 300 square miles it would be employing a manning force of 1,800 men. This would be rather ridiculous, because in these days of heavy machinery and modern earth-moving equipment, the emphasis is on equipment rather than on labour.

Of course, it must also be taken into consideration that whilst a company may not have this manning force spread over all the leases it does have a considerable labour force employed throughout the whole project on such work as loading, treating of the ore, maintenance and running of the railway, and so on. Nevertheless, such exemption from manning creates

a certain amount of dissatisfaction among other mining organisations. Whilst I have said that we could not expect this company to employ 1,800 men on its area in order to conform with the Mining Act, other mining leases—such as tin, asbestos to some extent in certain areas, and copper—are faced with this problem also.

In the tinmining industry the product is obtained from, perhaps, 18 in. to 2 ft. of tin-bearing material. Therefore, to have any security, there must be a large acreage of leases for the mine to have any life. But in this case the company has to obtain exemption from the warden regarding its manning obligations, or prove that it is employing the men in some other way. Therefore it feels it is not receiving the same treatment as some companies receive when they enter this State and automatically are granted special conditions.

So, in my opinion, possibly it would be better to amend the Mining Act in a modified form to provide for this type of mine which mines in area rather than in depth. If that were done, I think it would overcome the dissatisfaction among other mining companies, because it is only natural the mining companies who have been operating in the district for years should feel it is unfair for an overseas company to be exempted from labour conditions when the companies already in operation have to observe them.

This agreement also involves some 260-odd miles of railway line from the iron ore deposits to Port Hedland. The route is through some fairly rugged country, and I think the line will be a rather expensive item. The Mount Goldsworthy project, of course, will have a railway line only about 70 miles long. In view of the fact that the Mount Goldsworthy ore is similar to that of Mount Newman one would naturally assume that the Mount Goldsworthy company could produce a much cheaper product than Mount Newman. If freights amount to anything in overall costs, that would be a reasonable assumption. Therefore, again, one's thoughts are more or less confirmed, in view of the fact that the Mount Goldsworthy organisation was first in the field, and the only company to be successful by tendering. The other companies negotiated tenders; and, of course, since then the Mount Goldsworthy organisation has also become a tenderer by negotiation.

I would think that there is plenty of room for that company to produce iron ore before introducing another competitor on another field. I should think that the Mount Goldsworthy organisation would have had a free go before the Mount Newman organisation—unless there is some particularly good reason—was also thrown into the selling field. It must be gratifying to the Japanese to know that they do not have to haggle about the price of iron ore with Mount Goldsworthy when they

have two other competitors to use against that company. I could understand this move if it were done in regard to the different type of iron ore around the Ashburton, or because there is a different composition of the mineral. In that area there are the limonite deposits. The deposits with which we are now dealing are hematite deposits. I would have thought the Minister would get one company well established with its contracts for the export of the ore before letting another company have a go.

However, if that is competition, it is competition; but as I said before, I cannot see who benefits from the competition except the Japanese buyers or some other overseas firm. We certainly do not benefit from it. We benefit by having more than one mine operating, and probably by having more than one loading point. But how we benefit from the sale of different iron ore I cannot understand; because if the amount required by the Japanese was, say, 5,000,000 tons a year I cannot see any difference in that ore being supplied from one deposit or from three.

However, before concluding my speech, I refer again to the loading facilities, the stockpiling facilities, and the processing facilities at Port Hedland; and I say to the Minister that, from my knowledge of them—or probably it would be better to say from my lack of knowledge of them, because one can claim no more knowledge of a subject than that which is supplied to one—we might be in a great deal of bother in years to come if the arrangements which have been shown to me up to date are carried out.

I consider the area is badly cluttered; that when the processing works reach the stage that they could, would, or that we hope they will reach, we will be in trouble because the State will be more or less asking people to reside in an area where there is noise, a considerable amount of dust, trains racing backwards and forwards, and with maintenance gangs no doubt working and operating in the area on shift work day and night.

So, as I say, I am not satisfied that sufficient research has been given to this project and I would like to see the whole matter revised and reviewed; but, at this stage, I support the second reading.

Mr. Burt: I wish we had some activity like that in the Murchison.

MR. MOIR (Boulder-Eyre) [8.29 p.m.]: Before dealing with the provisions in the Bill, I can tell the honourable member for Pilbara that his fears regarding the town of Port Hedland are only too real; because, as one who has had a knowledge of mining operations—but not of iron ore mining operations, of course—I would say there will be considerable noise from the handling of the iron ore—other goldfields members will bear me out on this—and

I am afraid the people of Port Hedland will have something coming to them which they will have to live with.

Mr. Graham: We have a Clean Air Act.

Mr. MOIR: When the Mount Charlotte mine is pulling its ore—and it pulls all night—on a calm night one can hear the noise a mile away. It keeps the people awake; so much so, that there have been protests by the local authority to the mining companies, which are trying to find some means of minimising the noise. I mention this to point out that noise in mining operations is inescapable; and if there is a pelletising plant adjacent to a town the people will be disturbed. I have been to Port Hedland and know that the people will be living adjacent to where the ore is being processed.

I am not at all happy with the way these Bills are brought down. We have Bills amending measures that were introduced last year; and at the moment there is a Bill providing for an entirely new agreement so far as one particular company is concerned. I am sure that we on this side of the House, together with honourable members on the other side of the House, would be only too happy to see the iron ore export industry in full swing. The only thing that would make us happier would be a major part of the processing being carried out in this State.

I must admit to some disquiet over the situation because of the Government's statements, from time to time, that a contract is imminent and will shortly be signed; and a few months later, there is some other statement that would lead one to believe we are on the verge of seeing a company enter into a large contract for the sale of iron ore to overseas countries.

I think it was about two years ago that the Premier made a statement to the effect that an agreement had to be signed within three months from the time when he was speaking. We were led to believe that the signing of a very large contract was imminent. However, such was proved not to be the case at all. When we were considering a similar Bill during the last session of Parliament I said the Government was placing some of these companies in an almost untenable position. It is quite evident that buying companies are operating on a buyer's market; and the more companies we persuade to go into these areas, the harder it will be for them to sell their product.

I know that the people connected with these companies are not fools, but we are getting into the position where we are parcelling out all of our iron ore deposits; and although we have these agreements before us, I would say this: No government could turn around and terminate these agreements even if they were not complied with, provided the company had

honestly been trying to obtain contracts for the sale of its iron ore at a payable price to it and was not successful. No government could turn around and say, "You have not been able to sell any iron ore so we are going to terminate your agreement and from henceforth you will not be able to possess these iron ore leases." It appears to me that we are tying up all these areas and it will be a very hard job indeed for these companies to dispose of any prospective iron ore.

Recently I was very much struck when I read the Western Mining Corporation's annual report. In the address given by the chairman in September, 1964, regarding the iron ore position, he said an agreement had been signed in Tokyo in December last year with a consortium of 10 Japanese steelmills for 5,100,000 tons of iron ore. The shipment is to commence in April, 1966; and the period for delivery is eight years—to 1974. One would expect that to a highly-industrialised nation like Japan, 5,000,000 tons of iron ore would be only a flea bite.

The Western Mining Corporation has been negotiating—just as these other companies have been—for a long time in an endeavour to obtain a contract with the Japanese interests, who seem to be the only ones in the world at the present time interested in obtaining iron ore from Australia. I understand the position as far as the world supply of iron ore is concerned is that supply exceeds the demand and practically every large iron ore producing country in the world is looking for markets on which to sell its surplus iron ore.

We have a large number of iron ore and mining companies all endeavouring to obtain contracts with Japan; and they are placed in the position of having to try to unload their product on a buyer's market. We know what happens on a buyer's market. The buyer is in a position to dictate his terms; and this appears to be exactly what is happening.

The Premier said he could not disclose the position at the present time but concluded that the signing of contracts was imminent. That may be so, and we have been hearing that sort of talk for some years now; but it is rather disquieting when one has regard for the fact that the Western Mining Corporation has entered into a contract to supply 5,100,000 tons of iron ore over a period of eight years and the sale has been made to a consortium of 10 Japanese steelmills.

It is further disquieting when one takes into consideration some of the remarks made in the report of the Chairman of the Western Mining Corporation, as follows:—

Preparations for commencing the shipment of 5,100,000 tons of Koolanooka ore in April, 1966, under this contract are well in hand and field

construction work has already started. Under the terms of the contract, the Corporation is responsible for delivering the ore to Japan . . .

And it goes on to state that satisfactory shipping arrangements have been made. Continuing—

The initial sales contract signed has a duration of eight years, concluding in 1974, but we hope that further contracts will be negotiated in the intervening years and that the Corporation will have a continuing iron ore business in the Geraldton district.

These people have no guarantee for the future; they have only expressed the hope that further contracts will be negotiated in the intervening years. I would point out that this is not a very large tonnage of ore as far as large-scale mining operations are concerned. The 5,100,000 tons represents little more than 500,000 tons a year. The composition of this company is as follows:—

We are 50 per cent. partners in the first contract from Koolanooka Hills area with The Hanna Mining Company and Homestake Mining Company, both of U.S.A. The Hanna Mining Company is one of the largest producers of iron ore in the U.S.A., Canada and Brazil, and Homestake Mining Company is a large gold mining company with interests in uranium and other mining ventures.

Most of these companies are not like an Australian mining company which could be conversant with other types of metaliferous mining, but would not have a very great knowledge of iron ore mining and the disposing of that ore. However, the Homestake Mining Company is one of the largest producers of iron ore in the U.S.A., Canada, and Brazil; and naturally that company would know all there was to be known about iron ore, where the markets are likely to be, and where it could sell at an advantageous price.

However, the Western Mining Corporation is the only company in Western Australia that has been successful in negotiating an agreement with any country outside of Australia for the purchase of iron ore, which indicates that it is a very hard job to negotiate a contract, even for the small amount that it has done, without any guarantee of continuity of orders, since it hopes that further orders will be obtained in the intervening period.

We have Mount Goldsworthy, Hamersley Iron, and the new Mount Newman company, in addition to the Western Mining Corporation—that is, four companies—directly interested in iron ore; and for good measure we can throw in the Scott River iron ore concern, which we do not hear much about now, but which has been looking for a market for its product, which is a different proposition to the

direct sale of iron ore. It is hoping to set up a sponge iron industry in the south-west.

A lot of iron ore from Western Australia is being offered for sale, and the indications are that the Japanese steel interests are able to pick and choose and are certainly not rushing in to complete agreements. They do not appear to be in a desperate hurry to tie themselves up with long-term contracts for a great quantity of our iron ore. As I said before, it is rather disquieting.

We know that Japanese mining experts have been here, and they would know as much about our iron ore deposits as the mining companies. The Japanese have sent their experts here to examine both the extent of the deposits and their quality; and, incidentally, the quality of our deposits is not in dispute. I noticed in the agreement that it mentions 60 per cent. pure iron in the ore, which is always regarded as a good quantity of iron in iron ore.

It appears to be agreed on all sides that the quality of our iron ore is very good. The Japanese have had ample opportunity of examining it. They have sent many expert mining and steel men out here to look at the deposits. They have spent weeks sampling the deposits and looking at them, and still nothing has happened. They are in the position of knowing that we have vast deposits of iron ore. They are not dealing with one company, but with several companies; and every one of those companies is only too anxious to make a sale and enter into a contract for a large amount.

It appears to me that the steel companies are playing one off against the other, and they will continue to do that. In the long run, when contracts are entered into, they will probably drive a very hard bargain.

It would perhaps have been better had the Government allowed one company to go ahead and decide upon its contracts, and then let another take over if it were able to obtain contracts and so on; instead of having all these companies in competition. The companies will have spent a lot of money in their preliminary investigations and development of these deposits; and we cannot spend money without having a return from it. Naturally, the companies want their return as soon as possible.

It appears to me that potential buyers of iron ore have been placed in a wonderful position in dealing with these companies. The companies will be wooing them instead of their wooing the companies. There is no doubt about that.

So far as I am concerned, the sum total is that we have created a situation where the mining companies will not do as well as they could have done in negotiating agreements and obtaining the sale of iron ore; and, at the same time, we are placing

ourselves in a position where we have to stick to these companies. We will have to allow them to go on year after year holding those leases; because, as I have said before, no government in good conscience could terminate agreements and forfeit the leases of a company which had honestly been trying to do what it could to dispose of the iron ore.

It may be to the benefit of Western Australia in the long run if we reach the stage where we can process the iron ore here. It is only by processing the iron ore in the country concerned that the country itself gets the full benefit of it. It is understood that the mining of iron ore, even on a large scale, does not employ many men. One small goldmine employs far more men than are likely to be employed in the four companies concerned here, even if they were getting large tonnages of iron ore for sale overseas. Apart from the royalties which will be obtained, and a certain amount of supplies which are required, there will not be much labour used in the mining operations. I support the agreement with those reservations.

MR. TONKIN (Melville—Deputy Leader of the Opposition) [8.50 p.m.]: This is an appropriate occasion to place on record some facts with regard to attempts by the State to sell iron ore, so that later on we can look back and see the various steps which have been followed.

I recall that well over 12 months ago the Minister for Industrial Development was blaming a temporary recession in Japan as the reason why we had not been able to obtain any contracts for the sale of iron ore. The Minister made great play with that argument, but still we have not sold very much iron ore; such a small quantity, really, that we can liken it to a wheelbarrow quantity compared with the amount which we have available for sale.

For anyone interested, it is fruitful to review the utterances of responsible Ministers from time to time in order properly to evaluate whether the position is being truly placed before people or whether it is not. I remember quite well that over 12 months ago—I think well over 18 months ago—the Minister for Mines made a statement that he was on the end of a telephone and was expecting to hear any hour of the completion of contracts in Japan. Well, the Minister must have hung up, because no contracts were forthcoming at that time or subsequently as anticipated by him. On the 25th September last year there appeared the following item in *The West Australian* under the heading, "Progress on Ore Deal":—

Much progress had been made in negotiations on Talling Peak and Koolanooka iron ore, Industrial Development Minister Court said yesterday.

There was still good reason for confidence that an agreement for the ore could be completed soon.

Opposition Deputy Leader Tonkin had asked in the Legislative Assembly if it was not time that the true position was explained with special reference to the effect of Japanese interests in iron ore deposits at Mt. Newman.

Mr. Court said it was not true that negotiations for the sale of Talling Peak ore were no further advanced than they were nine months ago.

Mines Minister Griffith had advised that the Mt. Newman area was being held as a temporary reserve in the names of Hilditch and Warman who had entered into a formal option agreement with the Mt. Newman Iron Ore Co. Ltd., a W.A. subsidiary of American Metal Climax Inc.

When the Minister was speaking the other evening, I interjected by referring to the Japanese association with Mt. Newman; and it appeared as if the Minister was of the opinion that there was no justification for my suggestion. I propose to show, before I sit down, that there was every justification for it. One has to remember that one can only argue from a conclusion; and it is one of the unfortunate drawbacks of being in Opposition that when one is making a conclusion one has to make it, more often than not, on insufficient data; because the Opposition has not available to it the sources of information that are available to the Government; and of course, the Government does its utmost to see that that position remains. It discloses as little as possible to the Opposition.

Therefore if one attempts to form a conclusion—and that is one's job here in arguing—one has to form that conclusion quite often on insufficient data. But usually there is enough data available to enable a reasonable conclusion to be formed which should be pretty close to the mark. On the 15th June this year there appeared in *The West Australian* an item headed "Japanese Group Arrives." This is a report from Sydney and it reads as follows:—

A group of Japanese steel mill representatives has arrived in Australia to discuss offers by Australian companies to sell them iron ore . . .

Mr. Sugamata said the mission was for only survey purposes, and no contracts would be entered into at this stage.

However, Australia was a potential supplier to Japan.

Japan's iron ore consumption had increased from 8,000,000 tons in 1958 to about 28,000,000 tons this year.

The following month, on the 8th July, there appeared in *The West Australian* an article headed, "All it Depends on is the Price." This is very significant in the

light of what the honourable member for Boulder-Eyre has just said about this consortium: of 10 top Japanese companies making one decision between them that they would buy 5,000,000 tons of iron ore to be delivered to them over a period of eight years. The article reads, in part, as follows:—

Sitting in the messroom of the Mount Newman camp listening to the singing in Japanese, English and Yugoslav, it was hard to realise that this was the Pilbara and that the celebrations were an adjunct to big-scale business of great importance to Western Australia.

Keep in mind, Mr. Speaker, the words, "all it depends on is the price." After talking about astute geologists from Japan, and a lot of padding of that nature, the article goes on to say—

Whether any of these plans are put into effect soon, or at all, depends mainly on the recommendations made on their return to Japan by the astute geologists, engineers and administrators who make up the present mission.

And then, in conclusion—

"The mining is easy, the railway is easy and the port is easy," he said. "It is all quite easy. All it depends on is the price."

In other words, if the Japanese can get these sellers in the situation that they are falling over themselves to dispose of the iron ore at a price which is satisfactory to Japan, then they will buy; but they will buy when the price being asked is satisfactory to them.

We have these various companies falling over themselves to dispose of iron ore because, unless they can get contracts to sell, they can do nothing and they are not under any obligation to do anything, either. But on its part the Government has tied up practically all the iron ore reserves of Western Australia; and it all depends on the price!

The next article to which I wish to refer appeared in *The West Australian* of the 20th July, and it is headed "our Trade with Japan: The Lack of Balance." It was written by Frank Devine in Tokyo, and it reads—

Everywhere in Australia our mission was told by government officials that "labour is no problem"—but, of course, they are keen to induce foreign investment. Private business people concurred. There is, indeed, a labour problem.

Coping with it, the Australian authorities should consider foreign labour as a supplement in international joint projects. There would be strong opposition from labour unions, of course, but if the venture itself were good, such supplementing of the available Australian labour might be in the national advantage.

This is a plea for the employment of Japanese labour in working iron ore in Western Australia. The report goes on—

W. A. Iron Ore

Mr. Inagaki, who directs Mitsui's trading in iron and steel, said that it might take considerable time to sign the major contracts for the sale of West Australian iron ore to Japan, since the Japanese steel firms had already arranged for their ore supplies during the next few years.

However, he saw no prospect of a lessening of the worldwide demand for steel, and argued that the frantic pace of expansion in the Japanese steel industry—which some Japanese economists find distressing—was desirable and would probably continue.

On the 4th September, there appeared this article in *The West Australian* under the heading of "Japanese Is Critical of W.A. Policy"—

The law controlling the use of Asian labour in Western Australia had been detrimental to Japanese business operations in the State and should be re-examined, a Japanese business leader said today.

Further on the article states—

"On the other hand," Mr Doko continued, "article 291 of Western Australia's mining law provides against the hiring of Asian and African workers in the area.

"This clearly hampered the Japanese side, both in engineering and labour administration.

"The mining law, however, was revised on December 7, 1963, making possible the hiring of Asian and African workers, provided that the approval of the competent Minister was obtained.

"But the situation is still unstable, since the Minister concerned is empowered to revoke the approval at any time, depending on circumstances.

"Accordingly, Japan wishes that a system practised hitherto to the detriment of business operations will be re-examined."

In other words, they want the way opened for the employment of Japanese labour in mining operations in Western Australia.

Mr. Court: They have made no request for that.

Mr. TONKIN: Well, we will see as we go along. On the 30th September this year, in *The West Australian*, under the heading of "Japanese Expect Result This Year on Iron Ore"—and this article was also written by Frank Devine from Tokyo—appears the following:—

The Japanese steel industry expects a result by the end of this year on long-term negotiations with West Australian iron ore suppliers, according to a review published today.

In an article on W.A. and its iron ore deposits Asahi Shimbun correspondent Hajime Sugimoto said Japan valued Australian ore for three reasons—and expected W.A. ore to be the cheapest of all.

Honourable members can see this emphasis on the price. The article goes on—

Mr. Sugimoto accompanied the party of Japanese business men, headed by Mr. Tadashi Adachi, which visited W.A. this month.

Mr. Sugimoto said Australian ore was highly favoured for:

Its excellent quality and quantity.

Its accessibility over a short distance, compared with India and Brazil.

The politically and economically stable nature of the supplying country.

"Japan is in need of a stabilised supply source as soon as possible," he said. "Japanese specialists expect W.A. to become a major exporter to Japan in the future."

He said that, because of a very active attitude by the West Australian Government, the Japanese visitors were optimistic about the chances of selling Japanese machinery and equipment to the mining companies.

I ask honourable members to keep that statement in mind; because I shall connect it up with a further statement which suggests that one of the aspects of this iron ore deal is the possibility of the Japanese bringing in Japanese machinery, possibly duty-free, as it will be utilised in their own mining operations.

Last year The Hon. F. R. H. Lavery quoted a statement which was issued by T. J. Hughes, barrister and solicitor, on behalf of shareholders in Depuch; and in this statement Mr. Hughes made reference to the Japanese interests in Mount Newman. This is a disturbing feature of the arrangement which this amending Bill before Parliament is to ratify. In his statement Mr. Hughes refers to one Henry William Woodfield of Tokyo. Woodfield claimed he was the agent or attorney for Warman Equipment (W.A.) Pty. Ltd. Warman Equipment (W.A.) Pty. Ltd. was the company under contract to supply the machinery for Whim Creek copper mines in which Woodfield, along with other Japanese, was very closely interested.

I read a few moments ago where the Minister had stated, with regard to areas held for mining purposes—

Mines Minister Griffith had advised that the Mount Newman area was being held as a temporary reserve in the names of Hilditch and Warman who had entered into a formal option agreement with the Mount Newman

Iron Ore Company Ltd., a W.A. subsidiary of American Metal Climax Inc.

There is the name of Warman as the holder of some of these temporary reserves. It seems that there were 27 of these temporary reserves of iron ore at Mount Newman, covering some 1,350 square miles, which were in the name of Warman of Warman Equipment (W.A.) Pty. Ltd. and one Hilditch.

According to the statement issued by Mr. Hughes, and which was read in another place—I quote from page 1109 of *Hansard* No. 1 of 1963—this was the position—

At the end of October 1962 Woodfield again arrived in Whim Creek from Japan accompanied by three Japanese Ichikawa of Rasa one Oyane and another who Woodfield said was a Government Man. Woodfield stated that he and the Japanese had acquired a 90 per cent. interest in the Temporary Reserves for iron ore at Mount Newman standing in the names of Hilditch and Warman and that no iron would be purchased in Japan from either Mount Goldsworthy or Talling Peak but only from Mount Newman. The Writer then remembered that previously at Meekatharra he had met a party of Japanese who informed him that they had been examining and testing at Mount Newman.

Further on it states—

There are 27 temporary reserves of iron ore at Mount Newman covering 1,350 square miles held in the name of Warman (Warman Equipment (W.A.) Pty. Ltd.) and one Hilditch.

Later in Perth Woodfield claimed that he Oyane Ichikawa and others had discussed Mount Newman Iron Ore deposits with the Minister for Mines Griffith and that he Woodfield had told Griffith that "No iron ore would be bought by Japan unless it came from Mount Newman deposits but to save the face of the Government Japan would take half a million tons per year from Mount Goldsworthy and half a million tons from Talling Peak.

Mr. Court: He has changed his tune apparently.

Mr. TONKIN: Further on the statement continues—

A new Company has been registered—Mount Newman Iron Ore Company Ltd.—by five gentlemen whose names are not very well known amongst the prospectors of the Pilbarra.

In the Notice in Lieu of prospectus it is disclosed that one of the purposes of the Company is to acquire an option from Warman and Hilditch to purchase certain Temporary Reserves

from iron ore for £5,000 in cash and further payments of £145,000 in cash at the option of the Company if it continues the option and if the option is exercised the purchase price is £805,000—in cash £530,000—and in shares £275,000 and that the preliminary expenses are being paid by American Metal Climax Inc.

That is the name of the company which appears in this agreement. I am wondering whether the Government has been sufficiently interested to investigate whether this company did pay the preliminary expenses and whether Woodfield, and the Japanese associated with him, have acquired 90 per cent. of the shares held by Warman and Hilditch; because if they have then the situation is that they are going to sell to themselves iron ore of which they had become possessed. That being so they will be able to control the price of all iron ore being offered for sale by anybody else; more especially if there is the possibility that they can bring in, free from customs duty, Japanese machinery, and possibly utilise Japanese labour. That is the disquieting feature about this. It would be better that our iron ore remained in the ground for the time being than that we should give it away at a sacrificial price.

The Japanese keep emphasising that it is only the price that matters. They say the railways are easy, the ports are easy, and the mining is easy. It is only the price that matters. It is known that they were trying to buy iron ore from America, but they could not get it at the price which they wanted to pay. Now they are attempting to play off one Western Australian company against another in the hope that they will get our iron ore at a price satisfactory to them.

When we are dealing with a cartel consisting of 10 of the largest steel producers in Japan it will have to be remembered that a pretty hard bargain will be driven. If—as it appears because of their advantageous position in regard to Mount Newman—the Japanese will in effect own the show, it is going to be extremely difficult for Rio Tinto operating at Hamersley and for the Western Mining Corporation to compete with them in the market for the sale of iron ore, keeping in mind, firstly, that the quality of iron ore from Mount Newman is first class, and therefore there is no worry so far as the Japanese are concerned on that score.

Has the Government made any attempt to inquire as to the extent of the Japanese interest in Mount Newman, or is it not interested in that aspect at all?

Mr. Court: I will give you the full story.

Mr. TONKIN: That is what I want—the full story. That is what we are entitled to have.

Mr. Court: It will not please you, though.

Mr. TONKIN: We cannot be expected to make up our minds here by being kept in the dark with regard to the relevant facts concerning this matter. I accept as true that Hilditch and Warman paid the lease rents for Mount Newman with money sent from Japan for the purpose. I have had sufficient evidence produced to me to enable me to accept that as a fact. If the Japanese found money to pay the lease rents for these temporary reserves, is it so unlikely that Woodfield's statement about having 90 per cent. of Mount Newman is true? I say it is a logical conclusion that if the money to pay the lease rents came from Japan in the first place, the Japanese have an understanding with somebody that they would have a substantial ownership of the leases for which they were paying the rents.

That being so—if it is so, and it appears that way—surely it must be appreciated what a highly advantageous position those associated with Mount Newman are in compared with Rio Tinto and the Western Mining Corporation, because the Mount Newman people can sell at the lowest possible price; and that puts everybody else at a very considerable disadvantage.

The Minister has said he will tell us the full story—not that I am to be taken in by statements that are made from time to time; I have been taken in too often; more especially when the Premier said recently that although the law does the opposite to what was intended, he sees no good reason for altering it. So it is with that background that we have to give consideration to other statements that are made.

I will listen with interest to the explanation which the Minister has offered to give, because I suggest this is a most important aspect of the question. If it so turns out that this very large and valuable ore deposit is really in Japanese hands at the moment, then it will easily be appreciated how difficult is the position of the Government in trying successfully to have agreements negotiated on behalf of other companies.

I know that dummying is nothing new in business; it has been going on, I suppose, ever since the beginning of time. It will probably go on to the end of time. But that should not stop governments from trying to prevent it in the interests of the people. I say there is an obligation on the Government if, through dummying a prospective buyer, has come into valuable ore deposits, to do something to remedy that situation. From the information which has appeared from time to time it would look as though the Japanese are very closely connected with Mount Newman.

I foresaw some months ago that Mount Newman would come to the forefront; and I said to my colleagues—different ones at different times—"You watch the newspapers carefully, and you will see emphasis

being placed on the Mount Newman deposits." I found when the Japanese were here and I attended one of the farewell functions that the only deposit they wanted to talk about was the Mount Newman deposit, probably because they were so closely associated with it already. That being so, they will be most anxious to push that matter.

We will not have long to wait, because the developments will show whether my thoughts in this matter are correct or not. But it seems to me that the first substantial contract likely to be signed will be between the cartel and Mount Newman. Whether the others will get in subsequently remains to be seen. But the present situation certainly points that way. I believe that if the Government has information regarding the situation it should be quite frank about it and tell the House exactly what the position is; and, so far as it knows, all about the close association which appears to exist between the Japanese and the holders of the temporary reserves which form the basis for the agreement with regard to Mount Newman.

Having made those criticisms of the situation I indicate that the State must endeavour to sell this iron ore so long as it can get a satisfactory price for it. These agreements will enable the companies to continue to negotiate for sale, but only if they succeed in concluding a contract will they be under any obligation to do the things set out in the agreement. But on its part the Government is tied up. The Government has undertaken that nobody else can come in and utilise these very large resources in any way until such time as these companies succeed in getting contracts.

I understand that because of the great development in the production of aluminium, companies are now giving close attention to the production of a very fine gauge tin which can be used for packaging in competition with aluminium; and it could be that if we get established in the north, but a steel producing mill of the blast furnace type, a mill with the latest methods of producing steel, we could utilise our tin resources and play a part in the production of this fine gauge tin which is now likely to be a very strong competitor with aluminium.

That is an aspect I hope the Government will look at before it irrevocably ties up for a long period the available iron ore resources in Western Australia. I do not think this is a situation where we must sell the iron ore by hook or by crook at a price which will practically be giving it away; because if we do that we will be recreant to our trust to posterity. Whilst it would be advantageous to the State and very desirable to develop a trade and sell some of this iron ore, we must be careful it is not given away. The pressure is on

at the present time to force the price down. From these articles I have quoted it is apparent the Japanese have placed the emphasis upon the price; and that is something we must not overlook.

I do not think we should fall for that one. It would be far better to tarry for a year or two and get a more satisfactory price, than rush into this at this stage and say we are so keen to sell our iron ore that they can have it no matter what they pay for it. Because I believe we must put the companies in a position of being able to negotiate, and because the supplementary agreements are bringing former agreements into line, I support the Bill.

MR. COURT (Nedlands—Minister for Industrial Development) [9.29 p.m.]: I thank the honourable members who have made contributions to what is a very important subject so far as the future of the mineral iron ore is concerned. I think it is very important to keep the matter in its right perspective. Today, as compared with the position four or five years ago, we are considering Western Australian iron ore in an atmosphere of a deposit of world magnitude.

The whole attitude towards iron ore has changed drastically in that time. So it was necessary for the Government's techniques in developing this field and paving the way for contracts to make sure that it had not only people with the mining capacity to undertake this development, but also the people who have the marketing techniques and knowledge in the international scene to sell in big quantities.

There was a time when the export of 1,000,000 or 2,000,000 tons of iron ore from Western Australia per annum would have been considered big business. When there is a field, as distinct from a deposit, which is of world magnitude we have to lift our sights, and try to plan the development of the field on a basis which will enable us to compete on the world market. The job of developing the iron ore fields of the State is not a job for boys in this very highly competitive sphere, and we have been very well blessed with a number of companies which have not only the mining techniques, but also the organisation to undertake the great transportation and engineering activities; further, they have great marketing experience.

We have sought to develop the situation, and I think with success, whereby the iron ore fields of Western Australia, particularly the Pilbara field, will be one of the basic sources of iron ore supply for the Japanese steel industry. There will be other markets, and without doubt in time we will sell in Europe, but initially the negotiations are between the Western Australian iron ore companies and the Japanese steel industry.

I want to deal, firstly, with the comments of the Deputy Leader of the Opposition, because he introduced a rather controversial note, as compared with the rather studied approach of the honourable member for Pilbara, the member for the district mostly concerned. To put his mind at rest regarding the Mount Newman Company and the Japanese influence I would suggest that he must regard this matter as being in two categories. There is what could be termed as the pre-Amax era and the era after Amax became interested in the Mount Newman deposits, and that is very important. It is a fact that a person by the name of Woodfield was actively negotiating, or in some way interested, as were Hilditch and Warman in the Mount Newman deposits. But that was prior to the advent of American Metal Climax or Amax.

If the Japanese paid for the lease and the rental for Woodfield and his associates, or for Hilditch and Warman, what does it matter? When American Climax came on the scene it became the party with which the Government was dealing. American Climax is a great company, and it is laughable for anyone to suggest that Woodfield could have any control over the actions of that company, and least of all control or even have a major interest in its capital structure, because this is a tremendous concern. For Woodfield to infer that he could dictate the pattern of Amax is so laughable that his inference can be brushed aside and forgotten.

It is very important in considering the situation to have regard to the point I made. There was a period before Amax became the dominant influence in Mount Newman, and the period after it became the dominant interest. Mount Newman Iron Ore Company is, or was, until the advent of Colonial Sugar Refinery's interest, a wholly-owned subsidiary of Amax. In recent months the Australian component has been developed to the extent of 45 per cent. by Colonial Sugar Refinery becoming a part-owner of the Mount Newman enterprise, and this the Government encouraged.

There are still two partners: Amax on the one hand, and C.S.R. on the other, forming the companies which own the Mount Newman Iron Ore Company, referred to in the agreement before us. So I suggest to the honourable member he would be well advised to think of this in its correct perspective, because the pre-Amax period has virtually no relationship to the current period. I also suggest that he does not place too much importance on the statements made by one, Woodfield. Some of these statements referred to the 1962 period. One statement he read out was to the effect there would be no iron ore from Mount Goldsworthy or Talling Peak, but there would only be ore from Mount Newman. It is ironical that

the first contract to be signed is in respect of the Western Mining Company deposit, which is composed of the Talling Peak and Koolanooka deposits.

It is also interesting to note that in a subsequent extract which the honourable member read, reference is made to Mr. Woodfield as saying—from what I remember of his quotation made a few days after his previous statement—that to appease the Western Australian Government there would be modest quantities per annum from Mount Goldsworthy and Talling Peak. I suggest this gentleman has no influence whatsoever on the current activities of Amax and Colonial Sugar Refinery, the two proprietors of the Mount Newman Iron Ore Company. They are the parties who control the Mount Newman iron ore deposits. We think this is an excellent combination, because their technical capacity is undoubted; and their experience in mining, civil engineering, shipping, and merchandising are as good as any we have.

If it so happens that the Mount Newman deposit has received some prominence, I suggest there is nothing unusual in that nor is it undesirable, because it is a great deposit. If the honourable member were to read the Japanese commercial intelligence news which comes through at regular intervals—and the Japanese have a system of commercial Press which is quite different to what we are used to—he would find the reference to different companies sways about considerably. One day tremendous emphasis is placed on the Hamersley deposit, and one gains the impression that this is the dominating interest; next week one sees the shift of interest to the Mount Goldsworthy deposit, and this interest runs for a few days; and then one finds a switch to the Mount Newman deposit. One cannot be certain on which of the deposits the Japanese have focussed their attention. If we were in their position we would do exactly the same, because they are the buyers.

Much emphasis has been placed on the fact that the Japanese buy as a cartel. That is true. They do buy as a cartel, not because of a lack of Government support but because their Government supports this method of buying raw materials, and with good sense. When they go into the world's markets they do not buy as a group of companies competing with each other; they actually buy as a single industry, and that gives them an advantage of being able to supply their industry on an assured basis, and at the best possible price. They are also able to allocate the particular quality of the materials to the plants best equipped to handle the particular type. That is a very important thing in the treatment of iron ore, because all ore is not the

same. Some blast furnaces have developed processes which are best equipped to handle ore from certain places, while other furnaces are best equipped to handle the ore from other places.

I assure the honourable member this is not a question of the Japanese controlling the Mount Newman Iron Ore Company. It so happens that this company is in the hands of two very good companies. Like Hamersley associates, Mount Goldsworthy associates, and Cleveland-Cliff, they are negotiating in the competition for contracts.

The honourable member referred to the question of price being mentioned so often. Of course it is. These people are not negotiating to buy a few million tons in an isolated contract such as the Western Mining Company contract; they are negotiating to establish a source of supply. This is the point I want to make: they are thinking of the Western Australian iron ore field as a source of supply for their steel industry, and as one of the major sources of supply. Therefore it is natural this will take some time, and they will want to study the capacity of the companies, the quality of the ore, the volume of the ore, etc. For instance, it is not sufficient that the ore should be high-grade ore above 60 per cent.; it is more important, in some cases, that the ore be low in contaminants. It is in this regard that these companies have been able to serve the State well, because they have invested huge sums—over £4,000,000—in undertaking exploration in Pilbara, in geological, metallurgical, civil engineering, and transport research.

I hope the honourable member will accept my assurance that the owners of Mount Newman are 55 per cent. interest Amax, and 45 per cent. interest Colonial Sugar Refinery. I do not think he would quarrel with the capacity of those two companies to meet their commitments.

The other point he referred to was Japanese labour. The Japanese have not asked the Government to permit Japanese labour to work these mines. That has never been an issue. Of course they will require their technicians to come here from time to time, and they have their survey groups, their highly-skilled civil engineers, metallurgists, and geologists. Many more of them will come to look at this source of supply, because it is not a question of a few million tons of ore. They are looking at a field as a potential source of one of their basic raw materials.

The same remarks apply to the supply of machinery. If we were in the position of the Japanese we would seek to sell to the Australian iron ore industry and the processing industry some Japanese equipment. When they reach the stage of buying 5,000,000 tons a year they will be giving us f.o.b. something like £20,000,000 per annum. When they reach the stage of

10,000,000 tons a year, which will not be too far ahead after they commence the substantial exports, they will be giving us f.o.b. something like £40,000,000 a year. If we were in their position we would say, "Don't you think it is time you took our equipment to mine, our steel for the building of wharves and railways, and so on?" This is a matter essentially within the preserves of the Commonwealth Government, and has been the subject of discussion.

I hasten to say that in the discussions with the Japanese they have been very understanding. Whilst they hope to be given the opportunity to compete for some of this business on a fair and equitable basis, they have not at any time, either with the Premier, the Minister for Mines, or me, made any demands or said, "Either this or else." In this regard one has to admire their restraint in their trade policy with Australia, and the fact that they have not used what could in some other hands be a weapon to force us to commit ourselves to certain purchases.

If we are wise we should allow them to supply all this material and equipment on the basis that it does not prejudice established Australian industry, and that they acknowledge this as a principle. I think that is fair enough. As to whether it comes in duty-free, or subject to favoured nations' duties, or the ordinary type of duties, I would not know. That is a matter essentially for the Commonwealth Government to decide; it is certainly not something which this State could influence.

The Deputy Leader of the Opposition referred to the Western Mining Corporation contract as being a mere 5,000,000 tons, and I think he used the expression a "wheelbarrow quantity." It is a nice wheelbarrow quantity, 5,000,000 tons; and I think it is rather important that I should trace the history of this 5,000,000 tons.

This was part of a deliberate negotiation by the Western Australian Government. We made no secret about it; and the Minister for Mines, when he went abroad, was told that the Government wanted it clearly understood by the Japanese that in the interests of getting some of this ore from Talling Peak and Koolanooka exported through Geraldton, and the hope of processing this ore in the Geraldton area, we wanted a contract early in the piece from Talling Peak, and the Minister was to endeavour to get this contract.

This was done and it is a very sizable contract. I am quite certain it is only the beginning of more contracts and will prove a very attractive industry to Geraldton. It will be a very attractive amount of freight to the railway transport system.

Mr. Moir: It will come from Koolanooka, won't it?

Mr. COURT: Initially it will come from Koolanooka, but Talling Peak will in due turn make its contribution. But what

does it matter whether it comes from Koolanooka or Talling Peak? It is the same general area that profits from the mining and transportation.

Mr. Tonkin: Are you able to disclose the sale price?

Mr. COURT: No, I am sorry I cannot at this stage. In any case that is a matter essentially between the company and the Japanese.

The last point I want to refer to in respect of the honourable member's contribution to this debate is his reference to sacrificial prices. The companies concerned are too hard-headed—I think one of the previous speakers referred to the fact that they are no fools—to allow this stuff to be sold at a sacrificial price or something which does not show them a margin—if not in the short term in the long term. But if they do sell on a basis where they have undercut or underquoted, what does it matter to Western Australia?; because it is not going to fall as a burden on the State.

Mr. Tonkin: It will reduce the royalties though.

Mr. COURT: These companies have the capacity to stand up to their commitments. The Deputy Leader of the Opposition says that the royalties will be reduced. When negotiating they were arranged two ways—one on a percentage, and the other as a minimum charge. In the case of direct shipping ore, $7\frac{1}{2}$ per cent. is the percentage on f.o.b. and a minimum of 6s. per ton. If the price of ore inflates in years to come we follow the price up through the $7\frac{1}{2}$ per cent. If, on the other hand, it becomes deflated, we hold our revenue through the minimum charge of 6s. So it goes through the different grades of ore.

I would like to refer to the comments of the honourable member for Pilbara, who dealt with the matter in a rather thoughtful way both in respect of the general problem and in respect of the matter as a more parochial one concerning his own electorate. He questioned, as he did on previous occasions, the number of agreements.

I endeavoured in my earlier remarks tonight, as well as when introducing the Bill, to explain why it has been necessary for the Government in the course of this technique of developing a market for a great field instead of a single deposit, to allow these companies which have the know-how to get to grips with the geological, engineering, and transport problems of this ore; and the only way that we could get them to do it was to give them security in the form of an agreement. Some companies wanted an agreement early, and others were prepared to rely on the Government and this Parliament to do the right thing when they had proved their deposits.

In the case of Mount Newman, we were able to come to Parliament and say that it has proved that it has certain deposits of a satisfactory grade. When we came to Parliament with the revised Mount Goldsworthy agreement on this occasion we were able to say the same thing. When we come with the Cleveland-Cliffs agreement, we will be able to report on the work actually done. In every case the companies have advanced to a stage in their civil engineering when they are able very quickly to go to tender if need be for the construction of towns, quarries, railways, and ports; and this has cost a lot of money. As I said, between them they have spent something over £4,000,000 during this exploration period.

Therefore it is very necessary and desirable if we are to get these companies to commit themselves to this type of money that they should know the conditions under which they are committing themselves. I think it was fair enough that they should be given this protection or the assurance that at the appropriate time these agreements would be brought to Parliament.

The honourable member referred to the importance of the attitude of the Opposition to the Japanese, and this is very true. They study very carefully the reaction, not only of the Government but of the Opposition, realising that in our democratic system governments come and governments go—not too often, I hope; but they do go. The Japanese are very interested in what is said, and I appreciate this remark from the honourable member because they were very sensitive to some of the remarks made by the Opposition when a certain amendment to the Mining Act was before the Chamber, every word of which was studied.

Mr. Hawke: Who were sensitive?

Mr. COURT: The Japanese themselves.

Mr. Hawke: Good Lord!

Mr. Graham: Don't you think the workers were a bit sensitive about your action?

Mr. COURT: The Government adopted a very responsible attitude about this, and all the things predicted by the Opposition proved to be false. None of the great calamities descended upon us.

Mr. Moir: Probably had a salutary effect.

Mr. COURT: Nothing of the sort! We knew where we were going and we got there.

Mr. Fletcher: We knew where you were going too, or we suspected it.

Mr. COURT: The point the honourable member was making was that the Japanese were interested in the attitude of the Opposition, and so they are.

Mr. Bickerton: I was referring to the companies, not the Japanese.

Mr. COURT: Therefore his observations, which were of a very restrained nature I think, would be appreciated both by the companies and by the potential buyers. After all, there is no future in the contracts unless there is a customer. Whether they be Japanese or European firms, we need the customers.

The honourable member asked me if I would explain to him why it was not possible to conglomerate—if that is the word—a number of these agreements and mine in one mine, rail on the one railway system, ship through the one port, and process at the one plant. I hope I have already explained that this is something bigger than taking ore out of one deposit. It is a question of opening up the whole field. If, for instance, the whole of the exports were concentrated on the Mount Goldsworthy mine which we shall say, for argument's sake, is 60,000,000 tons, it would not last very long. Therefore it is important that at this point of time when negotiating to open up the whole of the field as distinct from one deposit, deposits like Mount Tom Price and Mount Newman should be opened up.

On the question of the limitation of the land at Port Hedland, we have tried to devise ways and means whereby there could be a sharing of the ports, and there could be greater rationalisation of activities in that area, because there is a surprisingly small amount of land immediately behind the location of the proposed jetty.

The honourable member asked me to state my own opinion on this matter. I formed the opinion, after I saw the expert's advice and discussed the matter with the companies as well as the experts, that there was no alternative but to agree to the two proposals. One of the determining factors was the small amount of high ground behind the port locations.

I want to put the honourable member's mind at rest regarding the commitment of Mount Newman. It has provided not only for the establishment of port facilities to provide for vessels of 10,000 to 15,000 tons, but also for the approach channel and swinging basin. When I mentioned a commercial port I was thinking of a total port both as to approaches and wharf facilities.

Mr. Bickerton: How big do you visualise these pelletising plants?

Mr. COURT: That was the next point I was coming to. They are a very big show. I would say that for the terminal area, the stockpile area, the loading devices, and the pellet plant, an area of maybe 400 to 500 acres would be involved. The pellet plants in places like Ishpeming in America are very big. That is why we have been anxious to negotiate for the secondary processing phase. I would say a pellet plant producing, say, about

1,500,000 tons of pellets a year would have a direct labour force itself of 200 men.

Mr. H. May: Where would you establish it?

Mr. COURT: These have to be near the port. An argument can be built up for having them away from the port at the mine site if the empty trains were used to take back the fuel. But the odds are nevertheless very heavily in favour of having the plants alongside the port for two reasons. One is that the fuel is available straight from the tankers to the storage containers at the port and there are no fuel transport costs; and the other is that the less the pellets are handled the better, because every time they are transferred from one stockpile to another and from a stockpile into the ship and then out of the ship into the blast furnace, degradation takes place. Therefore the companies like to handle these pellets as little as possible.

Consequently, if the ore is brought in from the mine and processed at the port and taken straight out from the plant by the conveyor belt to the ship the ideal set-up is achieved. This explains why the pellet plants in the plan I showed the honourable member are so close to the actual stockpile areas and loading devices, because the same conveyor belt system taking the raw ore into the ships is used to take the pellets.

Mr. Bickerton: We are not arguing about the plant being there; but they have 400 or 500 acres there for it.

Mr. COURT: On Finucane Island there is an estimated area of usable land, with some filling, of 1,000 acres approximately. The high land is much more than I expected when I inspected it. If we tried to put two companies on the island we would be in trouble because neither company could expand to a great size. By having one on Finucane Island using the high land there, and one using the high land at Cooke Point, we have a chance of two great industries developing.

Mr. Bickerton: I doubt whether there are 250 suitable acres at Cooke Point even allowing for filling by dredging.

Mr. COURT: The company claims there is, and it is quite satisfied from the layout I showed the honourable member.

Mr. Bickerton interjected.

Mr. COURT: They can fit in the rail terminal, the stockpile areas, and the pellet plant. I want to refer also to the other matter the honourable member raised, and that concerns the town planning at Port Hedland. The Town Planning Department is commencing straightaway to get to grips with this question of laying out the town, because the area between the gazetted town development and the P.M.G. site must be reserved very closely. As distinct from growth from the

companies going there, there is a consequential town growth inescapable even though the companies are responsible for their own housing, schools, hospital, and the like. It seems inevitable that the Mount Newman housing will have to go into a separate area of its own, and likewise the Mount Goldsworthy housing, assuming both projects eventually commence there.

We would like to feel there is a lot more land. It would be better if the pellet plant could be taken back, but it would defeat the economies of the exercise and one of the practical advantages of having the pellets right up alongside the loading devices, if the plants were taken back even a mile.

Mr. Bickerton: I still think you should have another look at it.

Mr. COURT: The brains that are on this are world names; people like Raymonds, International Engineering Company, and others who are world figures. When we see the detail in which they make their submissions and the amount of time they spend on assessing these things, it would be a brave man who would say they should be scrubbed and another start made. They are just as conscious of what is involved as we are.

I wish now to deal with another point raised by the honourable member; namely, town convenience. When a great industry such as this is to be established in a town it is realised there will be some inconvenience; and in this instance the local authority has faced up to the situation in a helpful and sensible manner. It has been told what is involved; it has assessed the prevailing winds; and it has anticipated that the existing harbour between Finucane Island and Port Hedland township is, in itself, some protection against a heavy mineral, which is not expected to blow far across the water there; and, after assessing all these factors, particularly the prevailing winds, the local authority has come to the conclusion that no great disability will be suffered by the town of Port Hedland.

I agree with the honourable member that there is always a danger of eagerness; that local authorities in their attempt to get industries might be inclined to overlook something and to regret it later. In this instance we have done our best to make sure that the companies have spoken to the local authority to acquaint it with any problems that might arise.

The honourable member wanted to know why the companies could not pelletise in the one plant. Well, they do not all use the same techniques; neither are the ores identical. Whilst they are for all practical purposes the same, there are some stratas of ore which could be different from others, and the companies all

have their own techniques and naturally like to process their own product and sell it as such; and they sell it in such big quantities that they can afford to have their separate projects.

The honourable member questioned the fact that there was a cheaper royalty for processed ore than for raw ore. I think the answer is fairly obvious: We are out to get industry established in these areas, and one of the inducements to get industry into an area is to offer a lower royalty for ore that is processed in the area. Not only does that bring industry, but it helps to offset the cost of processing, because there is not a net gain out of processing when measured against the price that is received for the processed product in the form of pellets. Therefore we make some inducement by giving the companies this lower royalty.

Mr. Bickerton: It seemed a lot, that is all—6s. to 1s. 6d.

Mr. COURT: The great objective was to get processing.

Mr. Bickerton: I agree with that, but I did not think there would be the margin there is.

Mr. COURT: In point of fact, the net loss in processing is something like half a dollar; and if we measure that against the royalty saving, the companies are still slightly behind. Nevertheless we want them to process in the area rather than export in the raw form.

I wish, briefly, to deal with the comments made by the honourable member for Boulder-Eyre. He was concerned about the fact that there was a surplus of world ore, and he expressed disquiet because these companies were, in effect, competing against one another. Of course, that is true. But he also made the pertinent observation that the companies are not fools; and I have sufficient confidence in them to know that they will not sell at a low price; and I know they are anxious to establish themselves on a long-term economic basis.

Mr. Bickerton: Did you arrive at these terms to give them an incentive to get as much land as possible?

Mr. COURT: There are two reasons for the rents being expressed in the present form. The 3s. 6d. actually remains on the leased area if the company does not go into processing. But the lower royalties were based on two factors: one to induce them to go into processing, and the other to discard their areas to the maximum extent; because even though their rights are only in respect of iron ore, all the time they have rights over mining areas they can cause administrative and other difficulties to other people who want to look for things entirely different. The inducement was to encourage them to go in for processing,

because then they would get the maximum benefit of these reduced figures, and they would also discard as much of the area as possible.

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 Mr. Court (Minister for Industrial Development), and transmitted to the Council.

IRON ORE (MOUNT GOLDSWORTHY) AGREEMENT BILL

Second Reading

Debate resumed, from the 27th October, on the following motion by Mr. Court (Minister for Industrial Development):—

That the Bill be now read a second time.

MR. BICKERTON (Pilbara) [10.9 p.m.]: It is not my intention to take up much time on this Bill. As has already been pointed out, most of the matters that have been passed in the previous measure, and the schedule to it, apply in this case. The main difference, of course, is that this Bill may be called an extension of a previous agreement, rather than a new agreement.

The first agreement made with this company—the Mount Goldsworthy company, which comprises Consolidated Gold Fields (Aust.) Pty. Limited, Cyprus Mines Corporation; and Utah Construction & Mining Company—was brought down in 1962. Honourable members will recall that an amending Bill was introduced last year, and now we have this one before us.

The main purpose of the measure, apart from some amendments to bring this company into line with the others, is to provide for the addition of a considerably greater area to the company's previous reserves. Those reserves, if I remember rightly, were about 16 square miles. Added to them, under what is known now in this agreement as area "B", is another 250 square miles in the area of Mount Goldsworthy; and a further 650 square miles some 180 miles south of the Mount Goldsworthy deposit.

This company, as we are all aware, has been doing a considerable amount of testing in the area by way of preliminary investigation, surveys, metallurgical surveys, and so on. To the best of my knowledge I would agree with the Minister that it does appear to have carried out its job in a very businesslike manner. I have no way of checking the figures the Minister used when he said the expenditure up to date is £1,300,000, but I have no reason

to doubt it; and because of the number of helicopters, private planes, vehicles such as land rovers and so on that have been running around the place for so long, plus the technical staff employed at the mine and in the intervening area between the mine and the port, and because of the investigations made at the harbour, the total cost must have run into a considerable amount of money. However, anything I might have had to say on the agreement would, I think, already be covered in what I said on the previous one, and I support the second reading.

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 Mr. Court (Minister for Industrial Development), and transmitted to the Council.

BILLS (3): RETURNED

1. Police Act Amendment Bill (No. 2).
2. Police Assistance Compensation Bill.
3. Judges Salaries and Pensions Act Amendment Bill.

Bills returned from the Council without amendment.

MOTOR VEHICLE (THIRD PARTY INSURANCE) ACT AMENDMENT BILL

Second Reading

MR. NALDER (Katanning—Minister for Agriculture) [10.18 p.m.]: I move—

That the Bill be now read a second time.

This Bill contains, apart from small machinery amendments at the beginning, two clauses only, both of which deal entirely with the accounts of the Motor Vehicle Insurance Trust. As a result of the amendment to this Act last year, new insurers have joined the trust and are now participating in the fund.

The amendment at present before the House will enable the trust to make a distribution of dividends, for a particular year in which a surplus is anticipated, to participating insurers, in accordance with their interest. This procedure makes certain that insurers now coming into the trust are not made responsible in any way for losses or profits incurred in past years, and is considered essential to the efficient working of the trust.

The amendment will also provide for a maximum dividend of 5 per cent. instead of the $7\frac{1}{2}$ per cent. existing at the present time. The Premium Rates Committee used the figure of 5 per cent. in its calculations as a fair dividend; and the trust, to

its credit, has accepted this as a proper limit and asked that the legal limit be reduced to 5 per cent.

The amending Bill further provides for the creation of a fund to be called the disaster reserve fund. This was recommended by the Premium Rates Committee and accepted by the trust. This fund for disaster relief will be commenced by transferring a sum of £12,000 per year up to a total of £100,000 credit in this fund. The trust is authorised by this Bill to withdraw from the disaster reserve fund any amount necessary to satisfy any claim exceeding £30,000 arising out of an accident where total claims exceed that sum.

The trust, which operated previously on the basis of each year standing separately, has accepted the proposal of the Premium Rates Committee that the surplus of funds in any one year be applied towards meeting the deficit of previous years. The passage of this Bill, which concerns only the internal accounting of the trust, will add stability and place the finances of the trust on a more satisfactory basis.

Debate adjourned, on motion by Mr. Hawke (Leader of the Opposition).

NATIVES (CITIZENSHIP RIGHTS) ACT AMENDMENT BILL (No. 2)

In Committee, etc.

Resumed from the 29th October. The Chairman of Committees (Mr. I. W. Manning) in the Chair; Mr. Lewis (Minister for Native Welfare) in charge of the Bill.

Clause 2: Section 5A added—

The CHAIRMAN: Progress was reported on the clause after the honourable member for Swan (Mr. Brady) had moved the following amendment:—

Page 2, lines 6 to 16—Delete all words after the word "name" down to and including the words "Citizenship" with a view to substituting other words.

Mr. LEWIS: The purpose of the amendment moved by the honourable member for Swan is twofold. Firstly, it seeks to provide for a certificate of citizenship to be issued on a formal application by the applicant; and, secondly, to waive the necessity to provide a photograph for attachment to the application.

As indicated last week, the amendment is not acceptable on the grounds that, firstly, to issue a certificate of citizenship automatically—that is, without an application—would entail a considerable degree of administrative research which would, in the initial stages, create great delay in the issuing of the certificate because all this information would have to be collated. Secondly, once a certificate was issued it would not be a proper means of recognition to enable the bearer of the certificate to be identified as the owner of the certificate.

Consequently, last week, I gave notice of amendments which I propose to move which would simplify the necessary procedure and would enable any native to apply for a certificate. By substituting the superintendent residing in the area for the board a native would have less difficulty in applying for a certificate of citizenship. However, at the same time, I appreciate the arguments that have been advanced; namely, it is repugnant to many natives to supply a photograph with an application. I gave the suggestion some thought over the weekend and I will probably be able to go as far as to say that if a native is able to write he would be able to sign for the certificate that was issued to him in due course. If the certificate held by that native is challenged he will be able to sign his name on another piece of paper so that the person challenging the certificate can compare the signatures and prove the identity of the person in possession of the certificate.

On the other hand, there will still be a large number of applicants for a certificate of citizenship who are illiterate and who can only make their mark. This is not sufficient identification, and it is inevitable that in order to ensure that such natives will enjoy the full benefits a certificate of citizenship will afford them, they should be obliged to provide photographs with their applications. I realise that the number of these illiterate natives will gradually diminish and, as the years go by, more and more natives will merely be required to sign their names in order to obtain certificates of citizenship.

I can visualise that, in some places, it will be sufficient to advise the divisional superintendent or the welfare officer, as the case may be, that if a son or a daughter of a parent has his or her name on the parent's certificate of citizenship there will be no reason for any delay in the issuing of a certificate to that child because the name will be known, and probably the certificate could be issued within an hour. If such a native is issued with a certificate he or she can sign his or her name on the certificate and that will be all that is required. The issuing and the recording of the certificate will be handled by the welfare officer. I understand that now all the details have to be published in the *Government Gazette*. I can see no reason for that; and, accordingly, if the Bill is amended as I suggest, I think new regulations can be drafted which will waive the necessity for the gazettal of certificates of citizenship that have been granted.

Therefore I cannot accept the amendment moved by the honourable member for Swan. I have amendments to this clause on today's notice paper, and there will be another minor one moved this evening which will provide that for those natives who can write a signature only

will be necessary, but from those who cannot sign their name, a photograph will have to be provided with the application.

The CHAIRMAN (Mr. I. W. Manning): I would point out to the Committee that if the Minister's proposition is acceptable to the honourable member for Swan, which will permit the Minister to move his amendments subsequently, it will be necessary for the honourable member for Swan to withdraw his amendment before the Chair.

Mr. BRADY: The Minister has agreed that in many cases the production of a photograph will be unnecessary. We on this side suggest that certificates need only be signed by their holders. The Minister envisages difficulties because illiterate natives will have to mark with a cross instead of signing. He said such natives will have to produce photographs.

There is only a very small percentage of the native population who cannot write, and this applies to natives in the far-flung parts of the State. The only illiterate natives are those living in the desert, and they are not interested in this matter. The Minister should be agreeable to doing away with the principle of Australian-born citizens having to obtain certificates of citizenship.

The proposition of the Minister is that on reaching the age of 21 years the child of a native with citizenship rights will have to make application on his own account; and if he can write he will have to sign the certificate, and if he cannot he will have to produce a photograph.

The department should not regard our natives as other than Australian citizens. When I was Minister for Native Welfare, on one occasion I received a complaint by a native that a welfare officer approached his sister and asked permission to show her house as an example of the good standard which natives had attained. These people want to forget that they have been regarded as second-class citizens. The amendment which I have moved can be implemented without difficulty, because the department has at its disposal the records of all natives who have been granted citizenship rights, and it should issue certificates without the need for application.

A distinction seems to be drawn between natives in the South-West Land Division and those in other parts of the State, because the former now have the right to obtain liquor and the right to vote. The Minister should not create a difference between those natives, and natives in other parts of the State. On one occasion a native stockman made a complaint that when he crossed the border from the Northern Territory into Western Australia a distinction was drawn. In Darwin he was able to obtain liquor, but when he reached Wyndham he was precluded.

I submit that on attaining the age of 21 years all natives included in the certificates of citizenship of their parents should be issued with certificates of their own automatically. Under the proposal of the Minister, when such a native reaches 21 years of age he will have to make application and will also have to include the names of his children.

The Minister should agree to the amendment which I have moved on behalf of the Opposition so that the department can make it easier for natives to forget that in the past they have been treated as second-class citizens.

Mr. W. HEGNEY: I cannot agree with the amendment envisaged by the Minister. I say that on attaining 21 years of age these natives should not have to make any application, or produce photographs of themselves. The provision in the Bill is humiliating to the native community. It is a direct hit at their pride; and I hope the Minister will have another look at the amendment moved by the honourable member for Swan. I wonder if the honourable member for Swan would be agreeable to add after the word "commissioner" the words "or a superintendent".

Mr. Brady: I would accept that.

Mr. W. HEGNEY: The Minister has indicated that if a person with whom we are dealing can sign his or her name, all that person will have to do is to write the name on the certificate or write the name at the bottom of an application; but if it so happens that the native cannot write his name, then he must provide a photograph.

The difficulty of providing photographs in the north-west has been mentioned previously, and that position still stands. No son or daughter of ours, upon reaching the age of 21 years, has to provide a photograph; and they do not have to apply for a certificate of citizenship. All they do is sign a State and Federal claim card in order to get on the electoral roll for the State and the Commonwealth. In all other respects they are the equal of anybody else. So why this discrimination between the South-West Land Division and the area north of the 26th parallel?

The people with whom we are dealing are mostly in towns like Carnarvon, Port Hedland, Broome, and Derby; and, as the honourable member for Swan has said, they have received their primary education at the State and private schools in these areas, and some of them have reached secondary level. They are human beings the same as we are. They did not come from a foreign country; they are Australian born. They mix with the white community; they pay the same prices for their food; and if they are working on public works or in private industry they pay the same rate of taxation as anyone

else. So why this discrimination? Why treat them differently from ordinary people?

The suggestion that these people be required to place the names of their children on certificates is most reprehensible. The implication is that this Act will be in force indefinitely; whereas the sooner it is repealed the better. The people in the north-west towns are entitled to the same rights as the people at Wagin, Mt. Barker, Katanning, and other places in the south-west. With the honourable member for Swan, I believe the Minister is sincere in regard to this item and is trying to get out of a difficulty, but I do not think the position is overcome by the suggestion he has made.

The Minister has suggested that if a person can sign his name he will do so and make some form of application to obviate the necessity of having to carry a photograph; but if he is unable to sign his name and can only make a cross, he will have to supply a photograph. There are quite a number of adults in the community who have signed with a cross which they have had witnessed, and that has not been to their detriment.

I ask the Minister to reconsider the position and accept the amendment moved by the honourable member for Swan, because it is most humiliating to these people that Parliament is going to insist that young people born in the country and educated in our schools must apply for a certificate of citizenship if they can write; and if they cannot write their name, they have to provide a photograph to be attached to a certificate. It is most objectionable, both to myself and to a number of the people concerned. I hope the Minister will agree to the amendment.

Mr. BICKERTON: The Minister has softened a little on this matter, but the main objectionable parts still remain. As we said the other night, we are looking forward anxiously to the day when certificates will not be necessary at all. I suppose the Minister holds the same view.

We are endeavouring to save these people some form of embarrassment. Those who cannot sign their names will have to carry photographs, and those who can sign their names can be asked by a publican to do so. We must bear in mind that the only natives affected will be those going in for a drink. They will have to sign their names on a separate piece of paper and the signatures will be compared in front of everyone. This will be embarrassing to them.

If they present a certificate, there should be no necessity for a photograph or a signature. I quoted an instance the other night where a young white man can go into a hotel before he is 21 and the publican is exonerated in connection with this young man's drinking under age, provided he asks, "Are you 21?" If the lad

says, "Yes", that is the end of it. The lad does not have to go home for a birth certificate.

If a hotelkeeper asks these people to produce a certificate, just as is done with a driving license, that should be the finish of it. Natives can now vote; but how does one know they are on the roll, except when they give their names and addresses to a returning officer, when their names are crossed off the roll and they receive a ballot paper?

Which is the most important—voting or drinking? Why should all these conditions be attached to the obtaining of a drink, and not to voting? Does the returning officer know these natives when they go in to vote? Of course he does not any more than does the publican.

Mr. Lewis: There is no analogy.

Mr. BICKERTON: I think there is.

Mr. Lewis: No there is not, because as soon as one name is struck off the roll no-one else can use it. In a hotel he would want to use it more than once.

Mr. BICKERTON: If he were carrying a false certificate, how long would he get away with it? Some of these people may want to break the law, but in the main they are just as law-abiding as white people.

Mr. Lewis: I am not insinuating they are not.

Mr. BICKERTON: A white person who is placed on the Dog Act does not have to carry a picture painted on the front of him or have a cross placed on his forehead to say he cannot have a drink. If these people have to have a certificate, the production of that certificate should be sufficient; and if they carry false certificates, I have no doubt they will get into trouble in due course.

Mr. RHATIGAN: The Minister has gone a long way with the amendments proposed by the honourable member for Swan, but not far enough. With regard to those natives who would sign with a cross, a photograph will still be required and we get back to the same problem—the lack of photographers.

It is only the older generation who cannot sign their name; most of their children would be able to do so without any difficulty. As the honourable member for Pilbara has said, it is not necessary for a native to sign his name when he votes. A cross is sufficient. Therefore, if a certificate is necessary, why should a cross not be accepted? These natives do not wander very far from their districts. I doubt whether any would wander between Broome and Derby to any great degree, and they are well-known in the town in which they reside. The answer to the problem would be to permit drinking by natives all over Western Australia.

As I have mentioned previously, the Native Welfare Department should be abolished and another department formed, using the same staff, to cater for the needs of those of all colours. Having a department for a particular colour gives those concerned an inferiority complex. The Native Welfare Department and the Child Welfare Department should be combined and agreement should be reached with the Commonwealth Government as to any help needed with social service payments and so on.

Whilst I admit the Minister has been sympathetic and gone a long way with regard to the amendments, I feel that the amendments as proposed are superior and would be far more helpful to the natives.

Mr. LEWIS: I am frankly amazed at the arguments advanced by some honourable members on the other side. Charges of discrimination have been made against the Government. This discrimination has existed for many years, because natives in the South-West Land Division have had citizenship rights and those outside have not. All this bally-hoo about the need to supply a photograph is ridiculous. Any-one would think it was a new proposal, but it has been in existence for the last 20 years.

Mr. Bickerton: That doesn't mean it is right.

Mr. LEWIS: No; but this is an advance on what has existed for 20 years. Henceforth, if an applicant for a certificate can write he will not be obliged to supply a photograph. If there are as many natives who are educated and can write as the honourable members opposite claim, very few photographs will be needed. Therefore, why the objection to it?

However, I maintain, from the information supplied to me by the department, that a large body of natives is still illiterate; and in order that they might obtain the full privileges which go with this certificate, they must be identified and the identification will be the photograph.

As I stated the other night, I hope the day will come when we can grant citizenship rights to all natives; but that is another subject, not under discussion to-night.

Mr. Oldfield: Why not make them all citizens?

Mr. W. Hegney: This was amended before and you brought it back.

Mr. LEWIS: I did not.

Mr. W. Hegney: Someone did.

Mr. LEWIS: I did not. The photograph has always had to be supplied and still will for those natives whose names do not appear on the certificates of a responsible parent. In other words, natives who for the first time apply for certificate rights will have to supply photographs. However, that again is outside the amendment.

We are only dealing with the claims of those whose names appear on the certificate of a responsible parent.

Mr. Oldfield: When are you going to decide that natives are humans, and treat them as such?

Mr. LEWIS: When has the honourable member who interjected described them as human beings?

Mr. Oldfield: Always.

Mr. W. HEGNEY: I want to put the Minister right on one point. This amendment is necessary because an illegal regulation was gazetted in 1959.

Mr. Hawke: That's the point.

Mr. W. HEGNEY: The illegal regulation was on all fours with a proviso in the Act which was repealed in 1958. The proviso was that the children whose names were on their parents' certificate were citizens only until they reached the age of 21. The government of the day repealed that provision, the idea being that the children whose names appeared on their parents' certificate were citizens up until and after they reached 21.

Mr. Lewis: Would the honourable member for Mt. Hawthorn be satisfied if the regulation were altered?

Mr. W. HEGNEY: The regulation is illegal. The proviso was repealed in 1958 and those children were to be regarded as citizens for life. Now the Minister has introduced an amendment which provides that those children must apply for a certificate.

Mr. Lewis: Would you be satisfied—

Mr. W. HEGNEY: I will answer the question in a moment. If these natives can write their names, they do not have to have a photograph attached to their certificate. If they cannot write their names they must have a photograph. The Minister asked a question.

Mr. Lewis: Would you be satisfied if the regulation were altered?

Mr. W. HEGNEY: What regulation?

Mr. Lewis: The one attached to the citizenship rights Act—to conform with the 1958 amendment.

Mr. W. HEGNEY: The 1958 amendment repealed that restriction and this amendment, to an extent, restores the restriction. That is the vital difference. It restores the restriction; and the Minister's amendment provides, firstly, that a native who attains the age of 21 years must apply for a certificate of citizenship; and, secondly, he must have a photograph; that those natives who cannot sign their names must have a photograph. My contention is that they are automatically citizens until they reach the age of 21, and they should retain their status as citizens on reaching that age. The onus should be on the department to supply them with a certificate

and not on the young people to apply for one. They have already been citizens until reaching the age of 21.

Mr. Lewis: They are still citizens, although they have to get a certificate.

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

Ayes—22

Mr. Bickerton	Mr. Kelly
Mr. Brady	Mr. D. G. May
Mr. Davies	Mr. Molr
Mr. Evans	Mr. Norton
Mr. Fletcher	Mr. Oldfield
Mr. Graham	Mr. Rhatigan
Mr. Hall	Mr. Rowberry
Mr. Hawke	Mr. Sewell
Mr. Keal	Mr. Toms
Mr. W. Hegney	Mr. Tonkin
Mr. Jamieson	Mr. H. May

(Teller)

Noes—23

Mr. Bovell	Mr. Hutchinson
Mr. Brand	Mr. Lewis
Mr. Burt	Mr. W. A. Manning
Mr. Cornell	Mr. Mitchell
Mr. Court	Mr. Nalder
Mr. Craig	Mr. Nimmo
Mr. Crommelin	Mr. O'Connor
Mr. Dunn	Mr. Runciman
Mr. Gayfer	Mr. Wild
Mr. Grayden	Mr. Williams
Mr. Guthrie	Mr. O'Neil
Mr. Hart	

(Teller)

Pairs

Ayes	Noes
Mr. J. Hegney	Dr. Henn
Mr. Curran	Mr. Hearman

Majority against—1.

Amendment thus negatived.

Mr. LEWIS: I seek your guidance, Mr. Chairman. I desire to move the first amendment to clause 2—namely, in line 14—on the notice paper in my name.

The CHAIRMAN (Mr. I. W. Manning): That is not possible. The Minister will have to move his next amendment; namely, to line 17. We have dealt with lines up to and including line 16. However, if the Minister so desires, he may recommit the Bill before the report is adopted, for the purpose of dealing with his amendment to line 14.

Mr. LEWIS: Very well, Mr. Chairman. I move an amendment—

Page 2, line 17—Delete the words "a Board to which" and substitute the words "the Superintendent to whom".

Amendment put and passed.

The clause was further amended, on motions by Mr. Lewis, as follows:—

Page 2, lines 23 and 24—Delete the words "the hands of the members of the Board" and substitute the words "his hand".

Page 2, line 26—Insert after the word "shall" the words "bear the signature of that person or if he is unable to write shall".

Page 2, line 33—Delete the word "Board" and substitute the word "Superintendent".

Page 2, line 35—Insert after subsection (3) the following new subsection:—

(4) In this section "Superintendent" means any person for the time being holding an office of Superintendent in the Department of Native Welfare established under the Native Welfare Act, 1963.

Clause, as amended, put and passed.

Clauses 3 and 4 put and passed.

Title put and passed.

Bill reported with amendments.

Recommittal

Bill recommitted, on motion by Mr. Lewis (Minister for Native Welfare), for the further consideration of clause 2.

In Committee

The Chairman of Committees (Mr. I. W. Manning) in the Chair; Mr. Lewis (Minister for Native Welfare) in charge of the Bill.

Clause 2: Section 5A added—

Mr. LEWIS: I move an amendment—

Page 2, line 14—Delete the words "a Board having jurisdiction" and substitute the words "the Superintendent".

Amendment put and passed.

Clause, as further amended, put and passed.

Further Report

Bill again reported, with a further amendment, and the report adopted.

House adjourned at 11.17 p.m.

Legislative Council

Wednesday, the 4th November, 1964

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