

# Legislative Council

Tuesday, 15th September, 1953.

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The PRESIDENT took the Chair at 4.30 p.m., and read prayers.

## QUESTIONS.

### SUPERPHOSPHATE.

#### *As to Analyses for Moisture Content.*

Hon. A. L. LOTON asked the Chief Secretary:

What was the maximum and minimum moisture content of samples of superphosphate, analysed by the Government Analyst, for the years 1950-1951, 1951-1952 and 1952-1953?

The CHIEF SECRETARY replied:

		Max.	Min.
		Per Cent.	Per Cent.
1950-51	3 samples	4.2	2.8
1951-52	2 samples	11.4	9.2
1952-53	10 samples	8.0	2.6
	18 samples	8.4	1.5

### FORESTS.

#### *As to Erroneous Press Report.*

Hon. J. MURRAY asked the Chief Secretary:

(1) Does the Government intend to take some action to ensure that a withdrawal and complete apology is published by "The West Australian" in relation to mischievous, erroneous, and damaging statements published by that newspaper on Wednesday, the 26th August, concerning the Conservator of Forests and the Forestry Advisory Committee?

(2) Does the Government consider that a statement by the Minister for Forests (Hon. H. E. Graham) appearing in "The West Australian" on the 27th August is

sufficient recompense to the Conservator for the embarrassment caused by this unjustified and erroneous report?

The CHIEF SECRETARY replied:

(1) The hon. member doubtless has read the sub-leader appearing in this morning's issue of "The West Australian". This statement was not sponsored by the Government.

(2) It would be difficult to assess the damaging effect on the Conservator and the Forestry Advisory Committee of the statement published in "The West Australian" of the 26th August, as also would it be difficult to assess the effect of a subsequent explanation.

### PETROL PUMPS, ELECTRIC.

#### *As to Tabling Consignment Notes and Permits.*

Hon. N. E. BAXTER asked the Chief Secretary:

Will he lay the following papers on the Table of the House:—

(a) Duplicates of the railway consignment notes covering electric petrol pumps despatched to country centres during the period from the 23rd June to the 15th July, 1953.

(b) Duplicates of road transport permits issued, covering electric petrol pumps transported to country centres during the period from the 23rd June to the 15th July, 1953?

The CHIEF SECRETARY replied:

No. Such documents are confidential, but the information contained in them will be made available to the hon. member privately if he calls at the office of the Minister for Railways.

### RAILWAYS.

#### *As to Increased Freights and Goldmining Industry.*

Hon. E. M. HEENAN asked the Chief Secretary:

Before making any decision on the subject of increased rail freights, will the Government give serious consideration to the position of the goldmining industry, and the probable detrimental effect any increase would have at this present time when the industry shows signs of a resurgence?

The CHIEF SECRETARY replied:

Due consideration has been given to the position of the goldmining industry. It is considered that, in common with other districts faced with long freight haulage, a considerable concession is being made to the Goldfields by the telescoping of freight rates.

**STANDING ORDER SUSPENSION.***As to Consideration of Notice of Motion.*

Hon. J. MURRAY (South-West): Having discussed with you, Mr. President, my rights and privileges under Standing Order No. 422, I now move—

That Standing Order No. 15 be suspended so as to enable the notice of motion standing in my name on the notice paper to be taken forthwith and to take precedence each day before the resumption of the debate on the Address-in-reply.

The CHIEF SECRETARY (Hon. G. Fraser—West): I move—

That the debate be adjourned.

Hon. J. MURRAY: I have already drawn the attention of the House to the fact that I have discussed this matter with you, Mr. President.

The PRESIDENT: Is the hon. member rising on a point of order?

Hon. J. MURRAY: I am opposing the motion for the adjournment of the debate. I have already before the House, in exercise of my rights and privileges, the question that Standing Order No. 15 be suspended.

The PRESIDENT: Then you are speaking on a matter of explanation?

Hon. J. MURRAY: Yes.

The PRESIDENT: Then the hon. member may proceed with his explanation.

Hon. J. MURRAY: I doubt very much my right to discuss the question. I thought it was left in the hands of the House.

The PRESIDENT: The question that the debate be adjourned cannot be debated.

Motion put and negatived.

Hon. J. MURRAY: I will now speak to my motion.

The PRESIDENT: The question is: That the motion be agreed to.

The CHIEF SECRETARY: I think the matter before the Chair is whether we should suspend Standing Order No. 15, and not the motion moved by the hon. member. I oppose this motion and hope the House will agree with me because the only reason why we suspend the debate on the Address-in-reply is, in the ordinary course of events, to deal with something of a most urgent nature, and I can see nothing urgent in the motion put forward by the hon. member. I ask the House to remember that it is a serious step to adjourn the debate on the Address-in-reply and one which, down the years, has been taken only when something of a very urgent nature has had to be dealt with by the House. To my mind, there is no justification for suspending the Standing Order to discuss this matter while the debate on the Address-in-reply is yet un-

finished. The hon. member put his motion on the notice paper a week ago but did not move it then. He now wishes to proceed with the matter when we are within sight of the end of the debate on the Address-in-reply. We hope to finish that debate next week, and the hon. member could then proceed, in the ordinary course of events, to deal with his motion as it appears on the notice paper.

Hon. N. E. Baxter: No one can guarantee that the debate on the Address-in-reply will finish next week.

The CHIEF SECRETARY: We cannot guarantee anything of that nature, as it is entirely in the hands of the House, but at least I have some ideas and some wishes, and my wish is to conclude the debate on the Address-in-reply next week. If we do not, the House will be sitting for a longer period. That does not worry me, but it might worry other members. As I am anticipating that the Address-in-reply will be finished next week, I can see no urgency in the motion submitted by the hon. member. I repeat that irrespective of the question to be dealt with, members must ask themselves whether this matter is so urgent that we should depart from our ordinary routine in order that it be dealt with.

Hon. L. A. LOGAN (Midland): May I, Mr. President, ask for some information to ascertain whether this matter is urgent or not? I would like to know whether the Minister can inform us on what date applications close for the position of Conservator of Forests?

Hon. Sir CHARLES LATHAM (Central): I admit I know nothing of this matter, but there has been so much printed in the Press about it recently that it leaves some doubt in the minds of members as to whether fair treatment is being meted out to the Conservator of Forests. I do not know whether it is or not. If Mr. Murray desires to obtain information, even although his motion may be unusual, I think his request should be granted before any injustice is done to the Conservator. If the Minister will give the House an undertaking that no decision will be made as to the appointment before we have an opportunity to discuss the hon. member's motion, that will be satisfactory to me. I am not speaking on behalf of the mover of the motion because I have not discussed the matter with him. In fact, I was rather surprised after being absent last week, to see the hon. member's notice of motion on the notice paper. This House, in common with ordinary citizens, does not care to see any unfair treatment meted out to anyone. Apparently there has been either some action on the part of the Conservator or some political difference between him and the Minister; but whether that is so or not I do not know. It is usual for

the Minister to call for applications for such a position when a vacancy occurs. We know that Dr. Stoate's qualifications are high and I do not think we would care to lose a man of such ability. Therefore, I hope the Minister will give the House an undertaking that nothing unfair will be done until the House has an opportunity of knowing what action the Government desires to take.

The **PRESIDENT**: The hon. member is debating the question of suspension of the Standing Order; he is not debating the motion.

Hon. Sir **CHARLES LATHAM**: I know that, Mr. President. I am merely putting the case as to whether the motion is urgent or not. It is a question of a time limit in giving us an opportunity to discuss the motion. If it is urgent and the Minister will give us an undertaking that no action will be taken regarding the appointment of the Conservator, there is no urgency but, if not, members should now be given the opportunity of discussing the hon. member's motion. For that reason I am supporting the suspension of the Standing Order.

Hon. C. H. **SIMPSON** (Midland): I am inclined to take a similar view to that of Sir Charles but perhaps for a different reason. I think members realise the virtue of Standing Orders and that they should be suspended only to permit the discussion of a question of a serious nature. In this instance we have had no opportunity of learning why Mr. Murray desires to proceed with his motion before the conclusion of the debate on the Address-in-reply. I think most of us take the view that when a member is placed in the position that Mr. Murray is in, he would naturally approach the Minister and he, in his wisdom, would probably advise the member not to go ahead or indicate his consent to the request. Without going into the pros and cons of the motion, I am under the impression that there was an understanding between the hon. member and the Leader of the House that he could proceed with his motion. However, we are at the moment more or less in the air because we do not know the motives that influence Mr. Murray in making this request. I would be inclined to give him the benefit of the doubt and let him proceed with his motion and then, after the debate is concluded, we can decide whether he is justified in his action. I certainly intend to support the motion for the suspension of the Standing Order.

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

Ayes	....	....	....	18
Noes	....	....	....	8
Majority for				10

#### Ayes.

Hon. N. E. Baxter	Hon. Sir Chas. Latham
Hon. L. Craig	Hon. L. A. Logan
Hon. C. Diver	Hon. A. L. Loton
Hon. Sir Frank Gibson	Hon. J. Murray
Hon. A. F. Griffith	Hon. H. S. W. Parker
Hon. H. Hearn	Hon. C. H. Simpson
Hon. C. H. Henning	Hon. H. K. Watson
Hon. J. G. Hislop	Hon. F. R. Welsh
Hon. A. R. Jones	Hon. J. Cunningham

(Teller.)

#### Noes.

Hon. C. W. D. Barker	Hon. W. R. Hall
Hon. G. Bennetts	Hon. E. M. Heenan
Hon. R. J. Boylen	Hon. F. R. H. Lavery
Hon. G. Fraser	Hon. E. M. Davies

(Teller.)

The **PRESIDENT**: As there is an absolute majority of members voting in the affirmative, I declare the question duly passed.

Question thus passed.

### PAPERS—FORESTS.

*As to Applications for Position of Conservator.*

**HON. J. MURRAY** (South-West) [5.0]: I move—

That all files and papers relating to the calling of applications for the position of Conservator of Forests be laid on the Table of the House for a period of 14 days.

No one realises more than I do that in order to move this motion, I have had to adopt a most unusual procedure, but I consider that the position warrants my taking that course because the happenings that have led up to the present situation have been most undesirable and do not in any way reflect much credit upon the people who have been handling it.

It has been suggested that, by moving the motion, I have shown no regard for what might be revealed if the papers were tabled—revealed not only to members of this House and of another place, but also to the general public. That is not so. I am quite prepared for whatever the papers may contain to become public property. I feel certain that the Conservator of Forests, whom I have not consulted but who is most vitally concerned, would agree with me in that statement. Whatever the papers contain, let them be made public. In such a case, members should not have to be content with getting their ears tickled by whatever a Minister of the Crown and others say is on the files or by their maintaining silence on the points on which we desire information, implying that everything is fair, square and above-board.

It is regrettable that statements should be made in a partial form because in most instances the best light is thrown on the picture from the point of view of the man making the statements while the man who is suffering gets little notice for his side of the case. Members of the public should appreciate that Ministers of the Crown do at times act in a most irresponsible

manner, especially when they find themselves in a position for which they are not fitted by their own knowledge and ability. This irresponsibility, in my view, can be aggravated when a Minister is placed in charge of more than one portfolio and there is a likelihood of a clash occurring.

Members may recall that last year I suggested that the coupling of the Ministry for Forests with the Ministry of Housing was a bad set-up, and I went so far as to say that a better arrangement would have been for the Minister for Agriculture to take the portfolio of Forests. Otherwise, the views of the Minister for Housing, when seeking to give impartial consideration to a question and exercising his discretion, must sooner or later clash with his views as Minister for Forests. The portfolios of Agriculture and Forests are definitely tied up together. In some instances, portions of State forest reserves have to be whittled away to permit of agricultural development and so there is some retrogression in the matter of forestry, but I am satisfied that the Minister for Agriculture would have had a better chance of harmonising his views with those of the Conservator than would the Minister for Housing, who is desirous of getting houses built at all costs.

At this stage, we should examine what led up to the peculiar situation that has arisen in regard to the Forests Department. When the papers are tabled, I feel sure they will reveal that we had a very zealous Minister for Housing out to do all he could to house the people and, without causing retrogression in forest policy, do a great job. His main object was to house the people. In his effort to do so, he came into conflict with the sawmillers and the building trades generally. We have read Press statements by the Minister that certain parties were not playing ball, and eventually a stage was reached where the building trades and the sawmillers raised a doubt in the mind of the Minister as to whether the Forests Department was the main obstruction and whether the sawmillers could get a flow of timber that could be passed on to the building trades. That seems to be the crux of the matter from the point of view of the Minister.

When speaking on the Address-in-reply debate, I mentioned the Minister's difficulty in trying to provide the requisite timber for the building of houses and went on to make reference to the Kauri Timber Coy. Having dealt with several references on that occasion, I shall not weary the House by repeating them now, but I should like to read the final paragraph on page 15 of the report of the Joint Select Committee on the Kauri Timber Coy's Bill as it will amplify my reason for presenting this motion to the House as an urgent one. The paragraph reads—

The committee is not concerned with the feuds that have been built up between milling interests, but a close study of the evidence will give much food for thought with regard to how closely held have been the privileges associated with the private use of our natural national resources in timber.

The committee favours the whole matter being exposed to the light of day so that, instead of being actuated by selfish motives, those who have the privilege of operating in this industry will, as a general rule, also be acting with a high regard for the internal needs of Western Australia and of the people of this community.

On the introduction of the Kauri Timber Coy's Bill, the matter took a rather more serious turn because the committee recommended that a Royal Commission be set up to examine all matters pertaining to our forestry activities. The Minister for Housing and Forests at that time would have been the one that framed the terms of reference for the Royal Commission, though of course, the Government would have given final approval to them. No. 4 of the terms of reference reads—

Also examine the forests regulations and administration.

I should say that would cover practically everything concerning the administration with which the Minister needed to worry himself. The then Minister appeared before the Royal Commission so that his views, which were very strong, would be placed before that body. He did not entrust the duty to somebody else, but attended before the Royal Commission and stated his views. I think members will agree that no exception could be taken to that. The Minister at that stage was not prepared to let the matter go at the finding of the Royal Commission under that heading. He went further and included an additional term of reference, No. 10, which was issued at a later date, as follows:—

If any and if so what changes are desirable in the administration of the Forests Department.

Thus the Minister made the question of administration one of the main items for the attention of the Royal Commission, and it is quite obvious why he did so. He was not satisfied with the Royal Commissioner's reaction to the evidence that had already been placed before him. The Minister made sure that the Royal Commissioner would include all these things in his report—I will not weary the House by reading them, but they are to be found on pages 36 to 39—and members will see that the Royal Commissioner not only covered them fully, but definitely ruled against the suggestion of the Minister as being in the best interests of the working

of the Forests Department. He was decisive in what he had to say and did not apologise for one word that he used. He showed why he disagreed with the Minister's viewpoint.

If the Minister had stopped there, no great exception could be taken to what has been done because it was in the hands of the Royal Commissioner and the Minister had given evidence before him. He had done everything in a more or less public manner. He had in this way backed up his opinion that the administration of forestry in this State was at a low level. Unfortunately the Minister did not stop there, nor did he set up an inter-departmental inquiry to see whether there was something wrong with administrative matters of a small nature—accounts and such like—to which he drew attention later, but went to the extreme.

When the papers are tabled it will be found that the then Minister, without producing any proof, in a communication to the then Premier, wrote that, as Minister for Forests for 12 months, he had found that the Conservator was mostly in the country. That is a very good place for the Conservator of Forests to be, in my view. His duties take him from one end of the State to the other. But that was not the reason why the Minister made the statement he did.

He was not showing approbation of the Conservator, because he went on to say that the Conservator was mostly in the country and rarely was he able to ascertain his whereabouts, whilst continual information reached him that the Conservator was at his own property at Busselton. If that statement were true the Minister had a case for the immediate termination of the Conservator's appointment because in this matter we are not dealing with the office boy but with one of our highest paid public servants. If, as the Minister suggested, the Conservator was spending the Government's time on his own property at Busselton then that officer was dishonest. I suggest that before making a statement of that nature the Minister should at least have presented proof. Instead of that he made in the communication what, in my view, is a most damnable suggestion about a highly respected public servant.

The Minister, still not satisfied with the Royal Commissioner's report, set up a further committee to deal with these matters. The committee was established in the absence of the Conservator. The ex-Minister might say at this stage that it was because the Conservator was absent from the State that he was not taken into the Minister's confidence in the matter. He might say also that the Conservator well knew his views. He appointed the committee and put on it his own forestry nominee together with an officer from the Agricultural Department and one from the Lands Department.

By doing that he loaded it very much against the Conservator; and that was the purpose of the committee because it was to advise the Minister on all sorts of questions. The Minister, not being satisfied with there being an overwhelming vote against the Conservator, at a later stage increased the size of the committee to include a Treasury official and Mr. Burvill, the soil conservation officer. The set-up of the committee then was that it consisted of the Minister's nominee from the Forests Department together with three men who were under the Minister for Agriculture, and one from the Treasury. This committee was completely able to outvote the forestry representative even had he remained true to forestry principles.

Whilst I stress the setting up of this committee, I want the House to realise that there was already functioning a committee which included the Conservator of Forests, the Director of Agriculture and the Surveyor General, so that there was no necessity for the Minister to establish another. This committee was established in 1943, and it could have given him all the information he required in regard to forestry and land questions unless, as I suggest, he wanted to set up this committee, to, in a measure, outvote the Conservator on questions in respect to which the Minister believed he was not amenable to discipline.

From there the Minister went on to formulate legislation to amend the Forests Act. The papers, when they are laid on the Table of the House, will show clearly the suggested amendments of the then Minister. I hope members will look closely at them because they are in direct contradiction to the findings of the Royal Commissioner. Some people might say, "What does the Royal Commissioner know about this?" Well, not only is he well-experienced in forestry matters but is recognised as such, whereas in this case we have a Minister, with no experience in forestry matters, bringing forward recommendations without consultation with the Conservator; and, in addition, proposing to put them before Parliament.

I suggest it is in the interests of the House that we examine these papers because, sooner or later, the present Government, or the previous Government when it gets back again, might make some effort to alter the Act, which has stood the test of time. The ex-Minister, during that particular period, made reference to the difficulty he had in contacting the Conservator. I consider that the Minister had that difficulty only because his main duties kept him in the metropolitan area whereas the Conservator's principal duties kept him in the country districts.

In view of the strained relations between the Minister and the Conservator at the time, I suggest now that had the Minister been a little more co-operative there

would have been no difficulty. The least the Minister could have done was to leave a note on the Conservator's file to say, "I want you in Perth on Friday," or, "I want you on the 15th," or whatever it was that he wanted. But, no, he evidently adopted the attitude, "The Conservator must be here when I go to see him; and if he is not, I am annoyed about it."

In this regard I realise, as do many others, that a lot of trouble starts and finishes because of the fact that the Conservator, who is an expert in all phases of forestry matters, does not, and never did, suffer fools gladly. Respective Governments have appointed people without knowledge to administer this department, which is highly technical. The portfolio, in the main, has been treated as a junior one. I do not say this is so from the personnel point of view, because it has been held by some of the highest Ministers—the Premier in most cases. It is a portfolio which has been tacked on to the end of a string of important portfolios such as Premier, Treasurer, and so on.

In other words, when speaking of forestry matters, most Governments say, "We do not need to worry. We have a reliable Conservator and the Minister does not mean very much." A number of Ministers for Forests have had no real knowledge of the industry and have not been prepared to recognise the importance of a sound and firm policy, nor have they been prepared to recognise the value of a plan which provided for a perpetuity of cutting. So we have had a situation where, to use another quotation, "Fools rushed in where angels feared to tread." They honestly believed that a short-term achievement was most likely to bring the greatest kudos to themselves, knowing that the disastrous effects of a short-term policy would not be discovered or felt by the community, in their lifetime as members of Parliament.

So these men advocated a short-term policy, forgetting completely that the Forests Act, which had been in operation for so long, had to be implemented by men who were fully conscious of the high responsibility they had to administer the legislation in the best interests of the State. That is where the trouble arose in the Forests Department. Forestry work is highly technical and cannot be learnt in five minutes. A man cannot serve an apprenticeship for six months and then say that he knows all about forestry matters. Whenever there was a change of Government, there was a new Minister for Forests. Each new man had a different viewpoint, and in an emergency his thoughts probably ran counter to the best interests of Western Australia.

In dealing with this matter the present Minister has endeavoured, in the main, to cloak his personal views. He has done that, but by the subtle use of statements

and reports of others, he has, by inference, if not directly shown himself to be a supporter of the views expressed. In my view, defamation is just as damaging whether it is done by inference or the more direct method.

The PRESIDENT: Order! The hon. member will please resume his seat. Standing Order No. 114 reads—

If all motions shall not have been disposed of one hour after the time fixed for the meeting of the Council, the debate thereon shall be interrupted, unless the Council otherwise order.

It will be necessary to ask the permission of the Council for the hon. member to proceed with his speech. There being no objection raised, the hon. member may continue.

Hon. J. MURRAY: I was saying that, in my view, defamation was just as damaging whether it was done by inference or by the more direct method. Also, when mud has been slung, irrespective of the manner in which it has been slung, some of it must stick. That is unfortunate but true. As I have already stated, if the administration of the department was causing as much dissatisfaction to the Minister and the senior officers of the department as we have been led to believe, one would have thought that the easiest method to overcome the difficulty would have been to bring down an amendment to the Forests Act.

The Act could have been amended to provide for a set-up similar to that existing with regard to the Education Department. In that department there is a Director of Education, who has much the same sort of job as the Conservator of Forests, and a Chief Administrative Officer. The organisation of the Department of Agriculture is somewhat similar, except that there is a Deputy Director in addition to the Director. So I repeat that I cannot see the reason for this unorthodox proposal to whittle down the powers of the Conservator. It appears that these committees are to be used to advise the Minister and to act as a pressure group against the natural wishes of the Conservator.

The present Minister stated that the advisory committee he has now formed is to advise him on the 400,000 acres he mentioned. The Minister could not be expected to have any personal knowledge of the area concerned but, according to him, the Government made certain stipulations. Members of the committee were required to have a forestry knowledge but not to be connected with saw-milling activities or persons cutting on forestry land. Despite the fact that there is an advisory committee already in existence which could have advised the Minister on the area in question, had the

Minister abided by the Government's decision no exception could have been taken.

But we find that Mr. Gregson has been appointed to the committee. He is the direct representative of the Sawmillers' Association, and, although he is not personally operating as a sawmiller, he is certainly concerned with the cutting of timber on forestry land. Mr. Hayes represents the Co-operative Sawmillers. The members of that organisation are not in the Sawmillers' Association, but in more than one instance they are cutting on Crown lands. So it can be seen that the members of this committee do not conform to the principles laid down by the present Government. While these men are connected with the sawmilling industry, they cannot hope to have an up-to-date knowledge of such a large tract of country as the 400,000 acres in question.

If the Minister did not like the setup of his predecessor, he could have sought advice from the committee appointed by a former Labour Government. This committee consists of the Conservator of Forests, the Surveyor General and the Director of Agriculture; it is one that would be acceptable to most people and, unlike this other committee, would have given the public more confidence. To my mind this new committee appears to have been brought into being to damage the Conservator.

Before concluding my own personal remarks on this important matter, I would like to read two extracts from "The West Australian." One is taken from the issue of Saturday, the 5th August, and is an extract of some remarks made by Mr. G. J. Rodger who was in this State attending a forestry conference. Before leaving for Canberra he declared that—

The pine plantation at Gngangara was a standing tribute to the work of the W.A. Conservator of Forests (Mr. T. N. Stoate). At Dwellingup he had seen most important work for the improvement of the growth of jarrah and this showed the high standard of forestry in this State.

Mr. Rodger was the Royal Commissioner who inquired into forestry matters in this State. The other cutting is from "The West Australian" of the 5th September, 1953. It is most important because the remarks were made by a man who is concerned with the timber industry in the Eastern States. He is a person who has a world-wide vision and for that reason I want to make sure that his remarks go down on permanent record. The extract reads as follows:—

Other States Want More W.A. Timber.

Prompt and bigger shipments of local timbers would be appreciated in the Eastern States, Mr. O. D. A. Oberg,

chairman of directors of a leading Sydney timber firm, said yesterday. He is in Perth for the meeting of the Australian Council of Employers' Federations.

Although Eastern States manufacturers wanted more local timber, they admired the State's policy of preserving its forests on the basis of sustained annual yield, he said.

Mr. Oberg, who has travelled the world much in the past 25 years, paid a tribute to the international reputation of the Western Australian Conservator of Forests (Dr. T. N. Stoate).

Coming from a man of the capacity of Mr. Oberg, it should be placed on permanent record that, despite the fact that the Eastern States are crying out for our timber, these people are big enough to realise that the policy being followed at present is the only one that can safeguard our timber in perpetuity.

To conclude my remarks, in my view it is a matter for grave concern that, 35 years after the introduction of an Act of Parliament, the basic principle of which was to conserve our timber assets and produce a plan to ensure perpetuity of cutting in the interests of the economic development of the State, there should have arisen a temporary state of emergency which has caused Ministers of the Crown to ignore the future and to set out to squander our timber reserves. By and large, the sawmilling industry will, of course, welcome the opportunity to increase its profits with no regard for the difficulties which must accrue from such a policy.

Because of the importance of forest conservation and reforestation, any amendments to the present Act should be very closely examined, and no attempt should be made to curtail the authority of the Conservator. Rather should we endeavour to make his difficult and responsible task as easy as possible. Let us treat this as a matter of national importance, as it is, far removed from party politics. With the sympathetic backing of Parliament, I feel sure that future citizens of Western Australia will be loud in their praise of the very policy adopted by the Conservator which seems irksome and unnecessary to some members today.

*As to Adjournment of Debate.*

The CHIEF SECRETARY: I move—

That the debate be adjourned.

Hon. J. MURRAY: I would like to draw attention to the fact that I have moved this motion under Section 422 as a matter of urgency. While I have no objection to the Minister securing the adjournment of the debate, I trust the Government does not intend to obstruct the carrying of this motion.

Question put and passed.

Debate adjourned.

**BILLS (3)—FIRST READING.**

1. Royal Style and Titles Act Amendment.
  2. Bee Industry Compensation.
  3. Firearms and Guns Act Amendment.
- Received from the Assembly.

**ADDRESS-IN-REPLY.**

*Ninth Day.*

Debate resumed from the 9th September.

**HON. C. H. SIMPSON (Midland) [5.52]:** In common with other speakers, I would like to extend courtesies to the two Ministers who have recently taken office; to the Chairman of Committees, who has recently been elected, and to our new member, Mr. Griffith. I have already written personally to the two Ministers conveying my congratulations. I can give them the assurance that, as far as the members of the party which I have the honour to lead are concerned, if legislation that is brought forward is progressive and for the good of the State, it will certainly receive our full support, and perhaps we may be able to improve on it by suggested amendments.

From my experience as Minister, and as Leader of the House, I know that Ministers are under considerable strain. The only strain I know to be greater is being called upon to relinquish the office one holds after the electors of the State have decided it is time for a change. Having regard to that strain and the possible effect on the health of the two Ministers, I can assure them that we would be happy to relieve them at any time, if the opportunity should arise, so that their health will not be impaired for very long.

I extend congratulations to Mr. Hall on his appointment as Chairman of Committees. I can assure him that, as Deputy Chairman, I will give him all the assistance I can. We have listened with pleasure to our new member, Mr. Griffith, speaking on the Address-in-reply debate, and I feel sure that in time to come he will furnish many useful contributions to debates in this Chamber.

The passing of Mr. Carew-Reid leaves a gap in the circle of familiar faces which we have been used to seeing in these precincts. The late Mr. Reid and all those associated with him have commanded our gratitude for the assistance they have always given us and the courtesies which they have extended, particularly to new members. No doubt the tradition which he upheld so ably will be carried on by the remainder of the staff engaged in that line of duty, and I feel sure we can look forward to a continuance of those courtesies which were always extended to us in the past.

The Governor's Speech is quite an interesting document and, while time will not permit me to refer to the many items

of interest which it contains, there is one I would like to quote at the outset. It is as follows:—

The State continues to make substantial progress. Business confidence is strong. Employment is high and rapid population growth has continued.

Major industrial developments are proceeding or projected, and the demand is firm for the output of our primary industries.

All that makes very pleasant reading, and it is doing no more than reciting actual facts. But the point I would like to make at this stage is that that is a compliment, whether intended or not I do not know, to the previous Administration, because obviously that state of affairs must have been brought about by the policy and activity of the Government which held the reins of office for the past six years.

In looking through the Governor's Speech, it is curious to find that there has been no specific reference to our great primary industries. I refer particularly to wheat and wool. This State has always been recognised as a major primary producing State. Our exports of wool and wheat in particular are relatively greater than those in any other State of Australia. There have been occasions when we have realised this to our cost because, when there has been a state of drought or semi-drought in the eastern parts of our Commonwealth, we, as the State which had the greatest exportable surplus of wheat, were called upon to supply a major proportion of home-consumption demands in Australia, and that, of course, meant that we received relatively less of the output from this State than we certainly would have done if we had had our own pool and had been able to dispose of our products overseas, thereby ensuring for ourselves overseas parity.

In previous years—that is, prior to World War II—gold secured to us the greatest proportion of our overseas credit, and Western Australia was, of course, the gold State of the Commonwealth. For many years we have produced the major portion of Australia's gold, and for some years now it has averaged from 70 to 80 per cent. In 1938-39, the value of the gold produced by Western Australia was £10,600,000 and in that year the combined value of wool and wheat was £6,900,000, but in 1950-51 our total exports had risen to £108,000,000. Wool and wheat between them contributed £88,000,000, the balance of £20,000,000 including gold and other export commodities, such as crayfish, timber etc.

The secondary industries that are being developed will possibly help to stabilise our economy and will have the effect of assisting our primary industries in securing a better balance between the two, providing more local consumers for our products and possibly a greater flow of sur-



plus labour which might be employed in the primary industries. During 1951-52 there was a decline in the export values of wool and wheat from £108,000,000 to £83,500,000, or less. That was a drop of 28 per cent. in one year. It seems odd in a way that those two special avenues of primary production should not have more mention in the Governor's Speech when they account for so large a proportion of our State revenue.

Hon. L. A. Logan: They are taking them for granted.

Hon. C. H. SIMPSON: That may be so. As I said previously, it is not my intention to cover in detail all the points raised in the Governor's Speech, and I do not intend to embark upon provocative statements that could be made when one considers the policy speech of the Premier delivered at Northam on the 22nd January. I propose to concentrate on various phases of transport. While consideration of the speech given by the Premier on the occasion to which I have referred indicates that he promised to reduce fares and freights, we know, from what has happened since, that the Government finds it cannot keep that promise and that, in fact, where reductions were made the fares have had to be restored to the previous level and, contrary to the Government's reducing freights, there is a necessity to consider increasing them. At a later stage I will refer to that question in greater detail.

In dealing with the general subject of transport, I propose to speak to the question of transport in Western Australia and in Australia as a whole, touching on railway matters, on the metropolitan transport question and on the operations of the Transport Co-ordination Act. I intend also to offer some suggestions based on my own experience and the knowledge I gained as Minister for Transport, which suggestions I hope may be of some help and value to the Government. It is because I regard this huge question of transport as being above party politics and a matter of vital national concern that I am refraining from making statements that may be provocative or regarded as having a suggestion of political bias.

On the 3rd February this year, shortly before the election, I sent a minute to the then Premier, suggesting that early action should be taken to consider phases of transport operations that I regarded as being of urgent importance. I suggested that if the election resulted in the return of the then Government this matter should be immediately taken up by the Cabinet sub-committee on transport and railways. Failing that, I suggested that the minute might be handed to the Premier's successor, because a Premiers' Conference was pending, and in my opinion it was necessary that the matter which I presented should receive top-level consideration.

The document to which I have referred, and a further one which I attached to it, are on the departmental files so that they have become no longer confidential but are available to any member who likes to call for the file concerned. As the matter contained therein sets out very clearly and succinctly various questions of serious transport import, I intend to read first of all a copy of my own minute and then to select extracts from an address given at the last Australian Advisory Transport Council meeting in Adelaide on this very big question of transport. First of all, here is my own minute to the Premier:—

Recently, according to a published statement in the Press, when it was mooted that the Rt. Hon. the Prime Minister would invite the attention of State Premiers to the question of what were termed "project loans," you were reported as saying that you regarded water and land development as the two highest priorities as projects for such consideration.

While agreeing with the high priority of the two projects mentioned, I cannot help thinking that the time is overdue when the question of transport must be very seriously examined.

I am attaching hereto a copy of an address given by the Hon. W. S. Kent Hughes at the 7th Australian Transport Advisory Council meeting in Adelaide on the 9th and 10th December, 1952, which makes very interesting reading.

Amplifying what Mr. Kent Hughes had to say, I do not think it is realised that it is estimated £1 out of every £3 spent in the Australian national economy is spent on transport. That is, on the movement of goods or people from place to place. The total cost of this transport amounts to one-third of the total Australian national budget. This total spent, of course, includes not only public means of transport for conveying people and goods but also the privately-owned modes of transport, including all forms of travel, i.e., rail, road, sea and air, and also those industries which construct the vehicles of conveyance, the cost of the roads themselves, and administration services which owe their existence to the fact that people travel and goods are despatched.

In regard to public transport, railways carry approximately 30 per cent. of passengers and goods at a cost of 15 per cent. of the total, i.e., half the average rate of the cost of all forms of transport. It is, of course, recognised that the public generally have become much more travel-minded during the last few decades, and that an increasingly large number of people

own their own vehicles for transporting themselves and their merchandise, but the plain fact is that thinking people are beginning to realise that as a nation we are spending more on travel facilities than we can afford. This is perhaps a question beyond our ability to solve but it does not lessen the need for serious attention to those forms of transport for which we are directly or indirectly responsible, and if we are to study and practise economy then there is all the more reason why we should educate our people to the use of the more economical means of transport, and particularly our railways.

I am strongly in agreement with the general recommendations put forward in Mr. Kent Hughes's statement and believe that only by concerted action as between the Commonwealth and the States, and a co-ordinated programme of rail and road development throughout the whole of Australia can our developmental needs be effectively served in time of peace, and our vital interests safeguarded in time of war.

It is for these reasons that I think emphasis on transport is even more necessary than emphasis on water or land development. The need for the two latter is so self-evident that they are unlikely to be overlooked. Transport, and particularly rail transport, on the other hand, tends to be thrust into the background and in view of its vital importance I think it is my duty to draw your attention to the pressing need for its very serious and immediate consideration.

Transport difficulties are, of course, not peculiar to this State. Each State is having its quota of trouble and no State seems to have hit upon a satisfactory conclusion. There is always constant conflict of interests between rail transport and road transport. With the possible exception of South Australia, all railway systems in Australia are badly lagging in regard to rehabilitation needs, with Western Australia being the worst of the lot. This only confirms what the Royal Commission said in 1947, and the need for special attention to our own system is becoming increasingly urgent.

The Government has recognised this in part by making allocations of loan money to cover motive power and rollingstock, but a third urgent necessity is the question of track renewals and maintenance. This is probably the biggest question of the lot and is an immediate necessity if we are going to make efficient use of our added motive power and truck capacity. It will also reduce costs by enabling the same staff to handle greater mileage.

The key to the solution of our difficulties is, of course, finance, and while the Government has made some provision in this direction, it falls far short of what is required if the system is to be brought up to the required standard.

Under the peculiar system of Federal-State finance, which operates according to a formula, the pressing needs of any one State cannot be adequately provided for under the present system of allocations. The "project loans" envisaged by Mr. Menzies appear to be the only solution.

When monies are allocated to the States there is a tendency on the part of all Governments to give preference to much-needed developmental works with the result that railways are pushed into the background. The story is the same in each State.

There is also the question of political pressure which demands that services, even unpayable ones, shall be retained at all costs and that freights shall be kept low.

The early likelihood of our own railway system, with the build-up of engines and rollingstock, being able to cater for all traffic offering is fulfilling the objectives of Government policy in this regard. It will secure the more economical transport of essential commodities, will remove the need for payments of road subsidy, will save excessive wear and tear on roads (which is a matter of grave concern to the Main Roads Department and local road boards) and will appreciably reduce the hazards of the road and preserve the roads for the lighter traffic, which they were built to carry.

On the other hand, the position which will be created when railways displace road hauliers as carriers of wheat and super, is likely to produce an immediate problem in that many hauliers will no longer have the work which has been their means of livelihood. In many cases these road hauliers have trucks partly purchased and are not in a position to complete the payments, and face the possibility of vehicles being repossessed. These hauliers claim with some justification that they were able to relieve the transport problem during the metal trades strike and will no doubt approach the Government for some relief in regard to their difficulties.

I may say at this stage that soon after I entered upon my duties as Minister for Transport I was approached by the Road Transport Association with a request that they be given a promise of guaranteed loading for three years. I told them it

was quite impossible to do this because we were endeavouring to build up railway capacity to handle the haulage of wheat and super and other heavy commodities and while, owing to the difficulty of filling our requirements in engines and trucks, this would take some time, during which they could expect to be called upon to handle considerable tonnages of wheat and super, the time would come when those commodities would be almost exclusively carried by rail. To accede to their request and give preference to road hauliers as against railways could possibly mean that if there were a drought, and a light harvest, the railways could handle the whole harvest and the position could then be that railways would be running empty while heavy traffic would be going by road, so that the required promise could not be given.

*Sitting suspended from 6.15 to 7.30 p.m.*

Hon. C. H. SIMPSON: Before tea I was dealing with the request of the hauliers for guaranteed loading for three years and the fact that such a guarantee could not be given because, if a drought occurred, we would not have enough loading for the railways. The Minute continues—

My advice at that time was to frame their future plans of operation on the assumption that this loading would cut out in from two to three years, so that the road hauliers cannot claim that they were in any way misled as to the position which would eventually arise. However this is one of the problems which are developing and must be faced.

Having regard to the general problem of railways, railway rehabilitation, rail traffic and freights, the question of unpayable lines, the question of road haulage generally, and the question of roads, I suggest, for your consideration, that a special committee of inquiry be set up to report on the difficulties of country transport, in a manner somewhat similar to the task undertaken by the Special Transport Committee in regard to metropolitan bus services.

As I see it, one of the matters which such a committee would be called upon to advise, would be the vexed question of dealing with unpayable lines. I may say that I do not share the pessimistic outlook of the "West." I believe that it is our job to try and develop the State so that railways, which are by far the cheapest means of transport, might be preserved. I believe that with a higher volume of traffic, not only would railway overheads be correspondingly reduced and earnings increased, but that an appreciable proportion of our lines would more than

cover the cost of operation, and it is a sound principle that in a railway system generally, payable lines should help to bear the burden of unpayable lines. Even in regard to Goldfields lines it is always possible that an adjustment in the price of gold might radically alter the position, and it would only be commonsense to wait a little time to see what the effect will be.

There is also the question of the Government giving consideration to taking over the Midland Railways. This would remove certain anomalies in rates which are a constant source of irritation. The company has revived their offer to the Government, and on very favourable terms. Previously, when this question was raised the Government took the view that we had a big enough task with our own without adding to it. In a number of respects the position has changed, and the company cannot continue to operate indefinitely on the present unpayable schedule of rates without subsidy from the State or Federal Government.

I forward this minute for consideration, not necessarily with a view to immediate action, but as something for serious consideration, and appropriate action as soon as the elections are decided, and the fate of the Government is known, but I do suggest most seriously, that at the next Premiers' Conference, when future planning is discussed and possible "project loans" are under consideration, the transport interests of our own system, and of all State systems receive a high degree of priority.

This is not a confidential document, because it is on the official files. I asked the then Premier, Sir Ross McLarty, to hand it on to the incoming Premier, if there were a change of Government, so that he could take up in the proper quarter a matter which I regarded as being of most urgent priority. I mentioned in this minute that I approved most heartily of the recommendations which were made in the address given by Mr. Kent Hughes at the Australian Transport Advisory Council meeting in Adelaide. That report is too long to read in full, but there are certain extracts which I think should not be overlooked. They are as follow :—

Council meetings and reports on transport policy.

At the fifth meeting of the Australian Transport Advisory Council held on the 25th July, 1949, the report on Australian transport policy was received and the motion passed that it be considered on account of its importance at the sixth meeting.

At the sixth meeting of the council on the 27th-28th February, 1951, the report was received and adopted as a guide but no commitments were made or conclusions drawn therefrom.

The report is the most comprehensive, important and urgent document on transport that has been produced in the post-war era. It has now been in the hands of the A.T.A.C. for two and a half years.

As a State Minister I moved or seconded the motion at the fourth meeting of the council in 1948 that this report should be compiled. When it was presented in 1949 I thought we were going places. We were. We were going bush and staying there.

The report was based on 14 pages of bibliographical memoranda set out in detail in the appendices to the report, and its findings were largely in accord with the Sixth Report of the Rural Reconstruction Commission, dated 11th April, 1945. Both these reports were compiled by experts in their own fields of investigation, and have been ignored to the detriment of the Australian economy in general.

What has happened since?

1. Road and rail overlapping and duplication has been dealt with by various State Acts without much consultation or uniformity as between States.

2. Efforts, varying from Herculean to Lilliputian, have been made by Federal and State authorities to unravel the shipping tangle and wharf congestion, but for various reasons, rail and road are still carrying cargoes that should go by sea. Import restrictions have temporarily solved congestion at the wharves.

3. Railway rehabilitation has proceeded steadily in some quarters and unsteadily in a headlong rush in others. Rail diesel and diesel electrics have proved their worth despite the conservative critics, but has anyone considered what limitation should be put on oil burners, if any, as if overseas oil supplies were stopped they would come to a standstill in three months or less.

4. The road systems have if anything depreciated because roads have been asked to carry heavy hauls over long distances which should have gone by rail. On the other hand, rail has been competing for cargoes better handled by road. Roads have not been properly graded or policed for the axle-loads they can carry or at what speeds.

5. Civil aviation has gone leaping ahead with subsidies unheard of for any other form of transport, until now a heavily subsidised air transport makes it uneconomical to run a ship

to Tasmania, so the Government then subsidises a ship at £10,000 or more per trip to keep a ship running to Tasmania.

6. £10 million has been spent on making Mascot an international airport when within three years Guildford will be the terminal for B.O.A.C. with Britannica's doing the round trip via Cocos Island-London to Guildford to London in 2½ days.

7. We proposed to revamp the Darwin to Birdum railway line as a 3ft. 6in. basis and have ordered new rolling stock for it which is, to my mind, a blunder of the first magnitude, based on complete lack of faith in the Northern Territory. Darwin will cease to be a stop-over town for overseas planes by 1955. With the mineral and other developments it has already become a port with a future.

These few comments are not put forward with any idea of being funny, but merely to show the farcical state which we have reached in this country with our "couldn't care less" attitude to the biggest industry—primary, secondary or tertiary—in Australia, which costs 40 per cent. of your annual expenditure, and at least 20 per cent. of your new capital every year.

A newspaper report says—and I quote an extract:—

"Transport in Australia is big business today, airways companies are continually offering improved service and comfort. Shipping companies, too, have entered the field. All are aware that passengers want service and comfort and are prepared to pay for it.

That is why Commonwealth railways have spent so much on this trans. train."

A heavily subsidised Commonwealth train (no interest or sinking fund is paid on the capital) has been established to compete with two more heavily subsidised airlines and a subsidised Commonwealth shipping line. I am not blaming the airlines or the Commonwealth Railway Commissioner. All I am asking is, "Do we know where we are going or what we are doing in the transport business?" There should be and must be competition, but is it sane or silly?

Nobody is baulking at £500 million on the Snowy River project, possibly because so few know what it will cost. I was one of the Ministers at the conference who advocated it and still consider it is a sound, very long-term project taken in its proper perspective—but not to be pushed ahead of everything else in priority. If Australia has £500 million to spend, transport should get it first as by proper rationalisation and development a saving of 10 per

cent. or £50 million per annum would result from an expenditure of this nature. Excluding the cost of commercial vehicles for roads, it has been estimated by the authorities that expenditure on new works of £100 million a year for 10 years would allow for a 30 per cent. increase in traffic and, by proper planning and increased efficiency, allow for savings of £100 million per annum. These are big figures in anyone's budget, but so also are the savings. This is a food producing country and transport is 50 per cent. of the cost of food production. Transport costs must be reduced. Even in 1947-48 the proportion of total cost was—

	By User.	By the Government.
Sea	85	15
Road	Figures not available	
Rail	90	10
Air	78	22

These percentages vary greatly from year to year. Since then the subsidy to air has increased considerably. The relative costs per ton mile then were in proportions:—1:2:8:20 for sea, rail, road and air respectively.

The expenditure per year was—

	£
Road	49,000,000
Rail	85,000,000
Sea	20,000,000
Tramways	15,000,000
Air	11,000,000

The total transport expenditure was then 30 per cent. of the national expenditure, which has since risen to about 40 per cent.

The estimated traffic carried was—

	Passenger per cent.	Freight per cent.	Expenditure per cent.
Sea	5	37.7	3.6
Road	55.0	31.9	76.2
Rail	29.0	30.3	15.5
Tramways	14.0		2.7
Air	1.5	.1	2.0

The manpower ratio per ton mile was—

	Sea	Rail	Road	Air
	1	1	10	40

All these factors have to be considered in the future planning of Australian transport whether for peace or defence purposes. Every form of transport has its place in the transport sun and its own sphere of operations, which must overlap to a certain extent on some other form.

For instance, we already have three times as many aircraft per 1,000 population in Australia as in U.S.A. In a country of vast distances air transport has tremendous value, but how long can this country afford to go on acquiring and developing airports at every country centre that wants one, particularly centres well served by rail and road and to which it will

never pay to run planes. Both major airlines are in the red at the moment, despite the fact that air transport is the most pampered, petted and preposterously subsidised form of transport in Australia whether by the taxpayer or the P.M.G.'s Department.

The recent Act was only a temporary measure and is not a final answer to air transport. It provides healthy competition between two companies but both companies, and in fact all aircraft, are providing an unhealthy competition with other forms of transport. Actually, my own belief is that until the internal and external airlines are combined, either as one or two companies, the maximum use of aircraft with maximum economies will not be achieved. The development of internal country routes can also not be allowed to continue on the present haphazard basis of municipal demand unless millions of pounds are to be wasted.

Much more evidence and material could be placed before you, but if I have not already said sufficient to impress upon you the vital importance of transport in the nation's economy, then any further material will be waste of time.

Someone no doubt will say: "Let the Commonwealth provide the money and we will do the rest." The Commonwealth does not provide any money. The people provide and invest their savings. A certain amount comes from abroad as investment and a further limited amount, but only a limited amount, can be provided by Treasury Bills without adding to inflation. However, the main purpose is to see that the money that is available is applied for works of high priority and production in their proper order of priority.

By what means then can this A.T.A.C. do a useful job of work? Your main agenda for this meeting is cluttered up with sheets and sheets of material on standardisation of vehicles, uniform traffic codes, Death is so Permanent, and other important matters, which are totally irrelevant for an A.T.A.C. meeting. Since I was last present in 1949 the efforts to turn this conference into a glorified Police Commissioners' or road safety council meeting seem to have succeeded. If Ministers of Transport are going to agree to this then forget the transport problems as such and confine your attention to road laws only—the job of the Committees.

The council was initiated broadly speaking to provide a means for consideration, discussion and agreement where possible—or recommendations to Governments concerned, regarding

transport problems, matters and policies affecting the States collectively and the Commonwealth jointly with the States.

We need to ask ourselves how the council has met these requirements to date. I think the answer must be that whilst the Council has accomplished some work, it has been to a very limited degree only. A national transport advisory council representing Commonwealth and State Transport Ministers and backed by a wealth of transport experts could, I am sure, do much more for Australian transport.

Before proceeding to discuss how we can improve the functioning of the council, however, we should first consider whether we are firmly of the opinion, or not, that the council should continue. If we are in favour of continuance then we should consider what necessary or desirable steps should be taken to make the council a much more effective instrument of Commonwealth-State transport policy and action than it is at present. If we are of the negative opinion, then the council should be disbanded.

A quick look at Australian transport shows that whilst the States have a preponderating interest in road and rail transport and the Commonwealth in sea and air, there is by no means complete division of all responsibility and interest along such lines. Far from it. There is no need for me to quote instances and examples—they will occur to everyone present.

One aspect, however, is most important and to my mind overshadows everything else. It is that of finance and the effect of transport expenditure on the national economy. When we realise that the total percentage of the annual national income spent on transport is in the region of at least 30 per cent., now 40 per cent., and that forecasts of necessary expenditure over the next two decades is almost astronomical; we have to admit that it is no exaggeration to say that the shaping of national transport policy coupled with the planning and provision of transport works, etc., is profoundly important to the national well being, and in this the interests of the Commonwealth and States are closely identifiable with each other.

#### The Main Reason for the Excessive Expenditure on Transport.

Apart from geographical considerations of area, irregular distribution and low average density of population, there are certain special reasons for the large and excessive expenditure on transport.

The war-lag had to be overtaken. The traffic has increased, due to the lifting of wartime restrictions on traffic, finance and manpower, the increase of population, new developments and movement during prosperity.

Passenger travel has increased by 80 per cent. and goods haulage by over 30 per cent. The cost has more than doubled, and motor vehicle registrations have doubled in the seven years since World War II.

I have quoted those extracts at length because I think they assess a very urgent and vital problem on an Australia-wide basis. Mr. Kent Hughes is a distinguished ex-soldier, and during his lifetime he has had considerable experience with transport. When he returned from the war he was elected as a member of the Victorian Parliament and, following a change of Government soon afterwards, he was appointed Minister for Transport. He later chose to enter the Commonwealth political field and, within an appreciably short time, he was appointed as a Minister of the Commonwealth Government. It was at his suggestion that the Minister for Transport, Senator George McLeay, collated the figures I have mentioned, and it was he who, at the last meeting of the Transport Advisory Council, gave the address from which I have quoted. I think Mr. Hughes is an expert in the transport field. What he has to say, apart from the actual merit of the case, should command close attention from those at top level.

In dealing with the overall question of transport I think, as I indicated earlier, that there is to be taken into account not only the cost of public transport itself to be considered, but also the cost of running the vehicle that is owned by the individual. The roads and other transport accessories are all part and parcel of the total transport cost. I will turn from that subject to railway matters, and I note that on this subject the following appeared at page 7 of the Governor's Speech:—

Ministers are disturbed by the huge loss being incurred on railway operations. The commencement of 100 miles of re-railing has been approved as an urgent measure.

By the end of this year the railways should be in a position to handle all traffic offering. New diesel-electric engines and rail cars will begin to arrive from the United Kingdom late this year. Of 3,868 railway trucks ordered 1,640 have been delivered and the others are coming forward at the rate of 100 to 150 a month.

The replacement of tramways with trolley buses on the Newcastle Street route is planned to coincide with the installation of traffic control lights in William Street.

The serious position of railway finance has demanded closer attention to duplication by road services. The closure of certain sections of railway line and replacement by road transport is being carefully examined.

The setting up of a commission with full co-ordinating powers in respect of metropolitan passenger transport is under consideration.

Some little time ago I had occasion to draw attention to what I considered to be a misstatement by the present Minister for Railways who said that 100 miles of track was being held up because it was mortgaged to trust funds and therefore could not be used. I questioned that statement and had a reply prepared—which unfortunately was not printed—pointing out that when the Mitchell Government took over from the Collier Government in 1930, it found that the State finances were in exactly the same condition as when the new Government took over. If any member cares to look up "Hansard" of that period he will see that the remarks of the incoming Premier, Sir James Mitchell, would bear out my assertion that when one is faced with financial difficulties it is quite a common and legitimate practice for the time being to rob Peter to pay Paul so that the total of the State's finances can be kept on an even keel.

The present Minister referred to derailments that were being caused by the bad condition of the track. Two years ago I was extremely disturbed about the number of derailments that were taking place, and I asked the Railway Department to furnish me with a special report on the incidence of derailments which would give me the history of each one and the findings as to the actual causes. It is true that I found a great proportion of them was due to the bad condition of the track and to the road not being in a desirable condition. However, there were other reasons for the derailments. Some were due to faulty couplings and I think a fair number—probably more than appeared on the sheets—was due to personnel faults. Nevertheless, the condition of the track was serious enough for me to discuss that matter with the railway officers and I discovered that the position generally was that while the Royal Commission on railways, which was held in 1947, had characterised the system as being the worst in the world and had pointed out the need for certain urgent action in regard to railway rehabilitation, it had not specifically or urgently emphasised the condition of the track.

I think the Commission, in all good faith, made certain recommendations in order of priority. Although the track was mentioned, it was not put at the head of the priorities that required attention. In fact, not very much was said about it. The result was that in co-ordinating the recom-

mendations of our technical advisers we did, with the money available, order motive power and trucks and went ahead with a comprehensive programme to recondition the workshops, the idea being that, for the time being, we would concentrate the available works personnel on the repair of trucks that we had and put them into running condition.

Also, we considered that while workers were busy on that task, we would engage outside help for the time being to build up the motive power and the number of trucks, we required, and that when the lag in repairs was overtaken, the shops, with their added equipment and the lessened demand for repair work, would be able to fabricate new units according to the designs that we had prepared. Those designs were by no means copyright because they were prepared by our engineers. The ultimate view was that we would be able to keep up with replacements as they became necessary. One objective was to carry on with the reconditioning of the Midland Junction workshops. Mr. Lavery pointed out the other day that great strides had been taken in that direction.

I think the railways are now able to handle all traffic offering, even although it is admitted that the track needs a great deal of attention. The previous Government did a great deal to improve its bad condition. We had many discussions on track at departmental level and, apart from the shortage of money, we knew that we had rails on hand that would take some months to re-lay. In the meantime the capacity of the Broken Hill Pty. works was growing and there was the prospect that we would shortly be able to secure steel rails at about half the cost we would have had to pay for imported rails. A question that was suggested by me and asked by the Leader of the Opposition in another place elicited these facts in regard to the cost of rails—

Cost in £A into store in W.A.—

		Australian per ton £ s. d.	British per ton £ s. d.
1950	....	19 1 0	34 4 3
1951	....	21 14 10	43 14 3
1952	....	27 14 1	60 6 8

So it was only commonsense to defer an order for rails to satisfy our requirements when the same order could be obtained from Australian sources at roughly half the cost. When Mr. McLennan of the B.H.P. was visiting this State I had a discussion with him on the question of securing rails for our requirements. He said that the development of the company's plans for stepping up production made him feel sure that we could secure all the rails we needed at, of course, the Australian price. That is the answer to the suggestion that we did not proceed with the rehabilitation of track as fast as was necessary.

One reason why the re-laying programme was not speeded up as much as I desired was that we had the same trouble as the present Government has; namely, a limited amount of money to spend. The facts indicate that we did all that was reasonably possible at that time; and while we can agree that if the track is not in good condition, and requires attention so that it can at least handle traffic offering, it is wise to put the track in order as speedily as possible, because when the same gear and the same trains are able to handle heavy loads, obviously the per ton mileage cost is reduced, and that is what we were aiming at.

The railways generally speaking, have been greatly maligned. They are in the peculiar position of having to cater for the great majority of the State's inhabitants and their work is more or less in the shop window. If a train is late, everybody knows about it, but if a train is on time, no credit is received by the railways. However, in private concerns any mistakes made are hidden and the public credits them with more efficiency than they are inclined to attribute to the railways. As a prominent railway man said, "The railways are a big goat that everyone wants to milk but nobody wants to feed." Most of the railway trouble has been due to inadequate finance, and there is a tendency on the part of all Governments to use the railways as a bargaining weapon at election time, perhaps with the object of keeping the people satisfied.

I have always contended that if we could transfer the task of the fixing of rail freights and fares to an independent committee, any concessions—some are very necessary and desirable—could be made a direct charge on the Treasury. The Treasury has to come to the rescue in any event because any loss on railway operations automatically has to be made good by the Treasury. My contention is that the railways should have a target to aim at, an objective which they can perhaps attain, and an incentive to employ the most effective management and to budget within the limits of the target set.

When we revised the rates in 1951, a committee was set up to examine every aspect of railway rating and compare our rates with those in other States, and was empowered to conduct a very comprehensive examination of railway administration. It proved to be a very good committee which asked numerous questions and received a mass of data. It asked that individual railway officers be made available, and that was done. The only stipulation was that a record should be kept of the information imparted so that the officer would at least feel that he was responsible for giving correct information or, if he had not done so, it could

be corrected by re-examination. The committee complimented the railway administration on the accuracy of the information and the promptness with which it was supplied, and this I consider is an indication that the railway personnel as a whole does try to do its job efficiently and conscientiously so far as the tools made available will permit.

I know many railway men in the country who have been there for a period of years and, in the towns to which they have been posted, they have taken part in the local activities of the community. The younger ones engaged in sport; the older ones assisted in church, R.S.L. work and anything of a community nature in which they were able to help. They gave their help freely and willingly, and some of the towns would be poorly off today but for the active part taken by railway men. In doing this, they have come to know individual members of the public whom they serve, and I have observed on occasion that when perhaps a truck of super has arrived for Bill Smith, steps have been taken to inform him by telephone or messenger of its arrival and he has thus been able to avoid the payment of demurrage. These men have a keen sense of responsibility and feel a direct interest in the people of the country.

Employees of the Railway Department are not placed in the most enviable position. They never know when they might be transferred, perhaps to a place well out in the bush where there are few amenities, but they take these appointments as they come, just as do school teachers, bank officials and other employees. By and large, the members of the railway organisation, instead of being criticised adversely as they so often are, should be regarded as a real credit to the State by reason of the service they give and the interest they display regardless of where they may be posted.

Hon. F. R. H. Lavery: They are part of the national economy.

Hon. C. H. SIMPSON: That is so. The time is overdue when they should be provided with efficient tools with which to render that service. The report of the committee was considered and, in the main, adopted by the Government. There was an overall increase of 30 per cent. and an agreement as to classifications to bring the lower rates, particularly the rate on super, to a higher level, and the freight structure was so arranged that we considered we could assist the men in the country by paying the interest on railway capital, amounting to roughly £1,000,000 per annum, and attempting to reach a target of loss of £1,500,000, this amount being reckoned as a contribution to the cost of country transport in the interests of rural development and decentralisation. That principle we believed to be sound.



But for the disastrous metal trades strike, that target would certainly have been achieved and the position would have gradually improved with the greater ability of the railways to handle the traffic offering. The fact of the financial results for the past year having been so bad was entirely due to the effect of the strike. Although the strike ended last August, the engine position was not fully restored until May of this year, so members can see that when it took about eight months for the service to pick up, only for two or three months of the year was it possible to give full service. That is a reason why the showing for last year was so bad.

One matter that has been discussed quite a lot is that of unpayable lines. I have already covered this aspect in part by my special minute to the then Premier that I have read. As regards unpayable lines, I may say that the previous Government adopted a cautious attitude. We felt that our programme of stimulating land development, together with the active policy of immigration and the increase in population generally, would help gradually to build up conditions in which the railways, particularly those that were being rehabilitated, would show a much better financial picture. The development of agricultural lines, with the improvement in produce prices, an active programme of research by the Department of Agriculture to increase production, and the possibility of obtaining an increase in the price of gold dictated the wisdom of deferring drastic action in regard to the pulling up of lines.

In pulling up a line, there is an estimated recovery value of only 15 per cent. If a line is pulled up, there is a possibility of its having to be replaced, and the replacement cost at present prices would be many times the original cost of laying it down. Thus there were many reasons for trying to retain the lines if there was any future potential of the service paying. As I mentioned earlier in my remarks, in building up a system to show a greater profit on the better lines, it is a sound principle that the more payable service should help to carry the unpayable lines.

I am pleased to hear of the prospect of the Lancefield mine at Laverton being reopened, because that will permit of the railway section from Malcolm to Laverton being retained, at all events for the time being. Members will appreciate that if there is a build-up in tonnage at the terminal of a line, it adds to the value of the whole line because it permits of a more frequent service being given throughout and is of great benefit to residents at intermediate points.

The whole question of railway operation is bound up with the conflict of interest between rail and road transport. In 1919, the railways touched their peak so far as the carriage of passengers was concerned,

and the position in that year and previously was that the railways were able to bear not only the cost of operation but also interest on capital, and return a sizeable sum to Consolidated Revenue. The problem was how to persuade the management to be more efficient in order to increase the revenue rather than to worry about the Treasury's having to make good any loss.

In 1949, we found it necessary to increase the freight rates by an average of 35 per cent. That was really the first major increase that had taken place since 1914. In 1951, with the steadily increasing cost of operations, it was necessary to raise rates by another 30 per cent., which meant an overall increase of 77 per cent. On the other hand, the actual cost of operation had risen by over 177 per cent. Let us now consider values in 1914. Wheat was then 3s. 6d. a bushel and the average wage was £3 a week. Letter postage cost 1d. Wages have now advanced to the present level of more than £12 a week. The price of wheat varies, but it may be said to be anything between 15s. and £1 per bushel.

Hon. L. C. Diver: That is not so.

Hon. C. H. SIMPSON: It is difficult to give an average price, but I can say that it is considerably higher than it was in 1914.

Hon. A. R. Jones: It is not even 15s. yet.

Hon. C. H. SIMPSON: I mentioned that it was difficult to arrive at an exact figure. Postage on a letter which cost 1d. in 1914 now costs 3½d. If the Railway Department had been able to increase its income as the Postal Department has done—and let it be borne in mind that the Postal Department has no competition—it would have given the same efficient service as is given by the Postal Department.

Hon. A. R. Jones: Who said that was efficient?

Hon. C. H. SIMPSON: An attempt has been made to compare the railway and postal services to the disadvantage of the railways, without taking into account the extra money that the Postal Department is receiving for the service it renders.

In 1951, the Freights and Fares Committee asked for a statement showing the lines that were giving an actual money return of less than 50 per cent. of the cost of operation. It would be interesting to know what that loss represents. Members have a direct interest in what might happen in regard to various lines. Here is the list—

	Miles.
(1) Bellevue - Mundaring, Mt. Helena-Mundaring Weir ....	17
(2) Lake Grace-Newdegate ....	39
(3) Lake Grace-Hyden ....	58
(4) Katanning-Pingrup ....	59
(5) Tambellup-Ongerup ....	59
(6) Elleker-Nornalup ....	60

(7) Burakin-Bonnie Rock .....	76
(8) Mukinbudin-Southern Cross .....	81
(9) Malcolm-Laverton .....	64
(10) Margaret River - Flinders Bay .....	30
(11) Wokarina-Ajana .....	58
(12) Wokarina-Yuna .....	38
(13) Meekatharra-Wiluna .....	109
(14) Cue-Big Bell .....	19

In that group are 767 miles which would be affected by the actual assessment, and there is another borderline group. We did approve of the pulling up of the Mt. Helena-Mundaring Weir line because there was ample road transport to cater for the needs there, and the line was very little used. The present Government has announced the possible closure of the Meekatharra-Wiluna line, and also the Burakin-Bonnie Rock line. As a Government, we proceeded very cautiously because we recognised there was a future potential in these lines which should be examined before action was taken.

As far as the agricultural development lines were concerned, there had been a build-up in values and an increased return to the Government by the rents which were collected, which could be held to offset the actual loss of operations. There is always the possibility that a line will build up production. In any case, we were to a certain extent contract-bound to those people because they went out and developed the country on the assurance that they would be provided with a railway and cheap freights. The following is the second group which was included because it consists of borderline cases—

	Miles.
(15) Brookton-Corrigin .....	56
(16) Yilliminning-Kondinin .....	73
Kondinin-Merredin .....	85
(17) Wyalkatchem-Merredin .....	72
(18) Wyalkatchem - Mukinbudin .....	75
(19) Kalgoorlie-Leonora .....	161
(20) Pinjarra-Narrogin .....	95
(21) Geraldton-Wokarina .....	8

That is a further total of 625 miles, or, for the two groups, a complete total of 1,392.

What I have said in regard to these lines applies to the other sections. I do not think anyone would suggest that there should be wholesale demolition without a proper survey being made. The Transport Co-ordination Act provides that if the demolition or discontinuance of a railway service is being considered, the Transport Board can, of its own volition, or mandatorily under the Act, make a survey on the spot and interview the authorities concerned. It takes into account, too, the question of alternative road services, and

it also has the responsibility for making available the necessary road services if a line is dismantled. It must also consider what subsidies, if any, shall be paid. I have later a suggestion to make that a sub-committee be appointed to carry out that survey, bearing in mind the possible effect on the State's economy if it is called upon to carry too big a load; and the possibility of the Commonwealth Government initiating an all-out programme to build up our roads for service in time of peace and as a safeguard in time of war. Information of that kind, before we take such a drastic step, is justified in the interests of the State's economy.

Hon. L. C. Diver: If that is done, you will have no future metropolitan services.

Hon. C. H. SIMPSON: I was coming to the question of metropolitan services. Members will recall that over the years they have been carried on at considerable loss. They were suspended during the rail strike with the exception of certain early morning and evening trains used to convey workmen to and from Midland Junction. The economics of the position were carefully examined and it was reckoned to be a good deal cheaper to do it this way, because we had a limited number of engines available, rather than to employ buses, which would have added to the road congestion during peak periods, and which would have been more expensive. When the engine position was partially restored, our Government took the opportunity to reduce the number of train services in the metropolitan area—particularly during off-peak periods. We held the view that, by and large, the railway system was essentially a service to country residents. They pay the greater proportion of the revenue collected by the department.

Hon. F. R. H. Lavery: They pay it both ways—coming and going.

Hon. C. H. SIMPSON: That is so. The position is that if certain portions of railway operation involve a great amount of loss, then, by and large, it falls on the users providing most of the revenue—the country users. In any case, a special committee had, prior to that time, examined the metropolitan traffic and recommended that it was necessary to maintain the service because we had a limited number of arterial roads to draw off the evening peak traffic and carry the morning peak traffic into the city. It was considered better to run the railways even at some loss than to face road congestion and the possibility of accidents by an extra concentration of traffic on our limited road capacity. Statements have been published in the Press to the effect that the present Government has established concentrations of population in flats in certain parts of the metropolitan area. It has added many trains to the metropolitan service which, it is admitted,

is running at a heavy loss. It is strange to me that the Government could not couple the two projects and establish these housing concentrations adjacent to some railway station so that the traffic on the particular line would be increased. That would certainly go a long way towards minimising the loss; and, incidentally, it would be fairer to country users.

Hon. F. R. H. Lavery: The same thing applies to country trains travelling through so much dead area.

Hon. C. H. SIMPSON: I am talking about the action of the Government in arranging for concentrations of population in particular places. My argument is that this is an ideal opportunity to site these concentrations at strategic points so that the Government services, which admittedly are getting far too little revenue and traffic, could be fed by that means. I think that would be sound finance.

Hon. J. McI. Thomson: It is a sound and logical argument.

Hon. C. H. SIMPSON: I think so. The railway road services introduced by the previous Government have been a considerable improvement on what was previously provided. They have obviated the running of full trains where there is not much loading. Also, they have lessened the passenger traffic which is a feature of railway operation that is nearly always unpayable. In addition, they have given a speedier service to country residents. We think on the whole that with the combination of the two under the one control, a good job has been done.

In the first couple of years of operation of road services they showed a profit, but that has not been so in the last two years, mainly because people in distant centres, where there is a low volume of traffic, asked that the service be extended, and naturally the poorer returns from these areas, where there is a low density of population, has changed a profit-earning machine into one that shows a loss—not a big loss, but still a loss. Again, I think that in the interests of development the provision of these services was justified.

Criticism has been levelled at the tramway service. I think in most cases it has been due to lack of understanding, and certainly it has been unjust. The tramways have been handicapped. They have trams, trolleys and buses, and their workshops were built, in the first instance, to service trams. The ideal would be to develop gradually into one form of transport—diesel transport, which is the cheapest—and to reorganise and design the workshops so that they could cater for that particular line of service. Under present conditions they have to do as best they can. Diesels have been compared with trolleys. The diesels are the cheaper mainly because we were able to get one-man operation of them. That did not come about without a struggle, but it was eventually achieved.

I think, although I have not checked this with the Tramway Department, that the trolleybuses could be similarly serviced with a slight re-designing of the body, and I am sure it would pay dividends. We might then find that the difference in the cost of running diesels and trolleys is negligible. One is an imported vehicle using imported fuel and the other is a vehicle which can be home-made and which is being serviced with power derived from a local source. The difference in operational costs with the two-man operation was very small, and there were arguments as to which was the more efficient. Certainly the diesel bus is more elastic because it can be transferred from one route to another, whereas the trolley bus, like the tram, is anchored to its original route.

The question of fares on Government lines has always been a difficult one. During my term as Minister for Transport I was able to persuade the Government to take out of the hands of the Government itself the question of fare-fixing for metropolitan services. I held the view that metropolitan traffic operations should stand on their own feet, financially. There is no justification for concessions there, except perhaps odd ones which should be the concern of the Treasury and not of the service involved. I am speaking now of the holders of the Victoria Cross, blind people, and certain classes of pensioners. I believe those concessions are justified, but not at the expense of the service itself, but of the Treasury.

The Government has certain overheads which are higher than those of private enterprise. Some of these overheads are occasioned by the numerous questions asked by members of Parliament. They seem to think that because a service is run by the Government it is their bounden duty to keep a close eye on its operations and to query anything that they consider requires rectifying. I am not saying their attitude is wrong, but it means that the department concerned has to employ special staff to keep these records. It is not once in a blue moon that we hear questions asked about private services, so they are exempt from this type of parliamentary scrutiny, with the result that their overheads are reduced by not having to face this expenditure.

But there is another reason. When we consider the question of the zoning of transport, and we urge the smaller companies to merge, we should take into account that the smaller unit of operation has been proved by English and continental experience to be more economical than the larger concerns. Time and again it was proved that the smaller municipalities and corporations in England, with a maximum of 100 or at the most 150 vehicles, could consistently undercut by an appreciable amount the huge metropolitan system of transport in London. So much so that the London

Transport Council was considering—and I think it actually did so eventually—decentralising its organisation so that it would have operational units with a ceiling number of about 150 buses. When one examines that proposition one can understand why this would be successful.

In the smaller concern the man actually in the workshop knows the driver and is quite prepared to speed up the service he is giving, so that Bill Jones, the driver, can get his vehicle into commission so much earlier. But when an organisation grows, it tends to become departmentalised and the personal touch is lost. The intimacy between the bus driver and the workshops manager is lost, whereas in the smaller concern the degree of co-operation is preserved and the service benefits.

Generally speaking, the areas serviced by the tramways have a greater density of population per mile than those serviced by private operators. But while private operators have to pay a higher license fee, and are subject to certain forms of taxation, the Government services, generally speaking, are exempt. The private operators have to pay their way and show a profit, which they generally manage to do, but the Government service invariably ends up on the wrong side of the ledger.

Now I come to one of the largest problems and that is transport co-ordination. The Act lays down certain obligations on the Transport Board and its staff and they cannot escape those obligations. When the Transport Co-ordination Act was introduced in 1933, road transport had, over the years, been taking more and more traffic which had, up to that time, been handled by the Railway Department. I will give two instances to show members the effect of this. Over 55 per cent. of country produce was being carried by motor trucks. One of the pastoralists on the Murchison approached the Government and sought a special concession for starving stock, which was granted. In due time his sheep went to agistment, fattened, and were returned to the station. There was a free return for the stock, but when shearing came along the pastoralist sent the whole of his wool clip, which was the payable freight, by road to the brokers.

In Wiluna great pressure was brought to bear on the Government to construct a line of 109 miles in order to assist the company and help the local population. There again the cost was some three or four hundred thousand pounds and the tail end of the line, I might inform members, was the lowest rated portion of the whole lot; that is to say, if the line had finished at Meekatharra all the goods from Wiluna would have had to be carted to Meekatharra. It is certain that the revenue from the tail end, at the telescopic rate, would have been negligible so far as

railway operation was concerned. But still the Government, in the interests of country development, provided that line.

After a while, as there was no Transport Co-ordination Act in force, there was a movement which developed to a considerable degree, to have all the high-rated lines, such as petrol, beer and so on, carted by road, and wool taken back in return. Under the Government railways rating system, where they cart some lines at an uneconomical rate—such as wheat, super, ore for mines and timbers—there must obviously be some compensating factor by way of higher rating to balance the lower rates on the lower rated goods.

However, road hauliers could cut into the higher rated traffic—and I admit that—by carrying full loads and taking the cream of the traffic, and as a consequence the railways would have to increase the rates on the present lower rated goods. If, at the present time, for instance, hauliers took 40 per cent. of the higher rated traffic, it would amount to about £1,000,000 per annum, and it has been estimated that the rates on the lower rated goods would have to be increased by about 14 per cent. to compensate for that. So members can see it is in the interests of country people to have some regulation of what would otherwise be a free-for-all in the transport of goods. These regulations are introduced in the interests of country users.

It must be admitted that during the railway strike the Transport Board did a wonderful job; I heard comments about it from both sides. At one stage it was my job to preside over a meeting at which were represented all those associated with the movement of goods. That people at that meeting paid unstinted tribute to the officers of the department not only for the job they had done but also for the plans they had made for implementation if the railway system had broken down entirely and all goods had to be taken by road. At the same time, when I moved about the country, I was asked on many occasions, "When will the railways be able to take a lot of the traffic which is now being transported by road? It is tearing our roads to bits and we have to pay more for it." Those remarks were made all over the State, so members can see that the job the Railway Department is doing is recognised in some quarters.

When the members of the Transport Board interviewed the people along the Burakin-Bonnie Rock line they were told that the people there were prepared to pay a higher rate for rail haulage if only the railway service could be retained. There is another section of the public which realises what the effect would be if our railway lines were pulled up. I must say that, generally, primary producers have been the most pressing in asking for concessions. I think it is mainly

because they have not understood the position and have not realised what the boomerang effect would be if a free-for-all were allowed and road transport operators were permitted to take away a good deal of railway traffic.

Hon. L. C. Diver: Have they asked for concessions in recent times?

Hon. C. H. SIMPSON: The point is that they already have more concessions than any other section of the public.

Hon. L. C. Diver: That was brought about by necessity.

Hon. C. H. SIMPSON: It was brought about by requests made from time to time. I am not saying that the concessions are unreasonable but to extend those requests beyond a certain point would react on the people who are now benefiting from our railways. To rob the railways of the traffic in those areas would be to rob them of something which is most vital.

Hon. L. C. Diver: There was a time when granting concessions was the difference between the farmers existing or going out of business.

Hon. C. H. SIMPSON: While I was Minister for Railways I had an interview with Mr. Don Maisey and Mr. Henry Kelsall, who are both well known to the hon. member. We discussed thoroughly the various aspects of transport concessions and I told them that I was prepared to recommend that a transport office be established in town if it would be more convenient to the people it would serve. I had already asked individual officers of the board to give customers the greatest possible service and civility and the least amount of interference consistent with the operations of the Act. By and large, that has always been done. I asked Mr. Maisey and Mr. Kelsall to put forward any suggestions they might have and I told them that we might be able to meet them to some degree. Unfortunately the elections intervened and resulted in a change of Government. But I think those two men understood that there must be a certain amount of give-and-take between the users and those who operate the service.

In America, during World War II, 95 per cent. of the military personnel and equipment was transported by the railways because it was by far the cheapest means of transport, both as regards the actual cost and the use of manpower which, at that time, was a vital consideration.

Hon. F. R. H. Lavery: They herded them like cattle into trucks.

Hon. C. H. SIMPSON: That may have been because of the emergency. As members know, there is a vast system of roads in America and it is relatively the cheapest road transport system in the world. But they have found it necessary to

impose transport restrictions to protect their railways as we have in this State. The railways in America are privately owned and when war broke out they were paying a small dividend. Although transport costs and costs of supplies, rose by 50 per cent. during the war, the railways, solely because of the fact that they were able to handle greater volumes of traffic, were able to keep their charges static. In other words, had they increased their rates to the same extent as commodity prices they would have paid a 50 per cent. dividend to their shareholders. If the railways have a greater volume of traffic to handle they can keep down their costs. So I suggest that there must be some understanding between those who benefit from the service and those who try to run it, because they are the ones who benefit from any rise or fall in railway costs.

Hon. C. W. D. Barker: In other words, those people cannot have it both ways.

Hon. C. H. SIMPSON: That is quite true. In regard to metropolitan passenger transport we found that with greatly increased costs there was a deterioration of service and there had to be, of necessity, increases in fare schedules. As I explained earlier, I believed it was the duty of an independent tribunal to assess fares and freights and the duty of adjusting those fares was left to the Transport Board. Roughly speaking, fares are 2½ times greater than they were pre-war, but the actual cost of operations is three times greater and, so far as the vital component is concerned—that is, wages—it has increased to four times its pre-war figure. This has been brought about because of the 40-hour week, overtime rates and other concessions that have been granted by the Arbitration Court. As time went on, some of the smaller companies found it more difficult to operate because, although their fares were adjusted, there was a lag between the impact of increases in the basic wage and the time when the board granted an increase in fares. After discussion, I suggested to the Government that there should be some rationalisation of the system and the Government agreed to my suggestion that I approach the bus proprietors, and other sections of the industry, including the general manager of the Tramways and Ferries Department, with a view to starting a scheme which would ensure—

- (1) Economy of operation.
- (2) Elimination of wasteful competition.
- (3) Cheaper and more efficient service to the public.
- (4) Ability to plan ahead.

Out of those discussions a committee was appointed and it approved the suggestions. There are quite a lot of advantages flowing from that. It meant that new routes had to be planned for an increasing public

and the Transport Board was finding it more and more difficult to route this service so that it would not conflict with the existing services. This was one of the obligations imposed on the Transport Board under the Act. But the creation of a smaller number of zones meant that those routes could be designed economically and that they would give the best service that was possible and would prevent the constant overlapping and source of friction between competitive interests.

But one of the big things we had in mind—and I do not mind saying this here, because it affects this Government as well as the previous one—was that if one adopted the alternative which has been adopted in some places, of one big transport system, then it would be possible to automatically create one big union. And with our experience of the railway strike a short while ago, it would be possible for small internal groups to hold up a great public undertaking by means of a strike. By creating a number of zones, say five or six, we would have a spread of industry instead of industrial risks, and there would not be nearly the same chance of being held up, perhaps, by some industrial trouble.

I have here a brochure issued by the Automotive Association of Industries which is quite attractively got up. It gives a number of facts and figures which, in effect, introduce special pleading for unrestricted transport by, say, road or rail. But I would ask members to believe that these folk have not produced this brochure for the good of the people so much as for their own interests. If we did as they asked it would have a crippling effect on the railway system and would certainly raise the freight rates for those who at present use the railway service and who are benefited by it. The ultimate gain, if any, would be to the big companies who manufacture trucks in England and America. We know what it would mean to our roads here. So I would ask those members who have received this brochure to remember that the facts are presented in a very one-sided fashion; and although they appear reasonable, one has to bear in mind that there is more behind them than meets the eye.

Hon. F. R. H. Lavery: Those facts are definitely facts for a one-sided industry, as was the case when pressure was put on by shipping companies which opposed the construction of a broad gauge railway.

Hon. C. H. SIMPSON: That is quite true. I have no bias against these people. They are quite entitled to do this, but I would ask members to appreciate the fact that a lot of the revenue from this service for which the users would have to pay, would not benefit the State. In fact, it would go to those big concerns in England and America instead of remaining in Australia.

A final matter on which I wish to touch is a suggestion that the Government give serious consideration to the taking over of the Midland Railway line. Under the Act which governs its operations, the company is not allowed to charge a higher freight rate than is operative under the Government system. It cannot afford to show a loss, and the miracle is that over the years it has been able to avoid doing so. At the same time, it has paid very few and very small dividends to the operators. I am not divulging any private business when I say it has made a very favourable offer to the Government which, when I was Minister for Transport, I recommended to our then Premier for very serious consideration.

I think I have the right to bring this subject up because the rates which are being imposed by the company, whilst quite equitable, are liable under the Act to impose higher ratings on some commodities to the residents along the Midland line. This peculiarity is due solely to what is called a local rating system. The company's line runs from Midland Junction to Walkaway, and as most of the goods go to the terminal port, either Fremantle or Geraldton, with a proportion beyond the confines of the company's own system, may be Kalgoorlie or Albany, it means there are two separate freights to be paid, one over the company's line and one over the Government line, because of the two sets of administration. It is certainly not fair that the company should have to forgo what it is entitled to, seeing that it works on the headline all the time. It is a fact, however, that a man who is residing at Moora, which is roughly 100 miles by rail from Perth, has to pay about 2s. a ton more for his wheat than his counterpart on the Government line. Over the years I think that has been very unfair to those residents. If the Government cannot see its way clear to taking over this line then I think it should seriously consider the question of subsidising the Midland Railway so that it can give exactly the same rates to its patrons as the Government service is doing.

Hon. E. M. Davies: The Government should subsidise its own railways too.

Hon. C. H. SIMPSON: They are subsidising—

Hon. E. M. Davies: They say it is a loss.

Hon. C. H. SIMPSON: That is a point, too. The late co-ordinator and adviser on Federal railway matters strongly recommended the taking over of the line. He said, "It is a foreign system within your own and it does create quite a lot of difficulties besides the necessity for maintaining two administrations where one could do the job".

Finally, I wish to submit a series of recommendations based partly on my own

experience and partly on the recommendations which have been made in Mr. Will Kent Hughes's address. If these recommendations were adopted, I think they would go a long way towards solving our transport difficulties. They are as follows:—

1. Appointing an expert committee to report on the related functions of rail and road transport in this State, having regard to—

- (a) the economics of rail and road transport.
- (b) the economics of unpayable and/or developmental lines.
- (c) the provision of road services to replace rail services where it can be proved that economies can be effected by such replacements and a comparable substitute road service can adequately serve the customer's requirements.
- (d) the question of road subsidies where road transport replaces rail transport.
- (e) the desirability of road services acting as feeder services to railheads or other specified rail points.
- (f) the question of such feeder services being let by contract to private operators.

2. Conferring with other State Governments and the Federal Government at top level with a view to securing co-ordinated action in devising and implementing a scheme covering a 10 year programme of road and rail rehabilitation.

3. To initiate similar top level discussions to secure necessary finance by way of "project loans" to be especially earmarked for the proposed 10 year programme.

4. To suggest to the Federal Government that its defence advisers be instructed to take part in the discussions in order to co-ordinate civil and defence needs.

5. To appoint a rating committee on the pattern of the Indian Railway Board, comprising representatives of producer, financial commercial and other associated interests to determine rail freight rates—such a committee to be independent of political control similar to the Indian Railway Board.

6. All rail concession as approved by Cabinet to be a charge against Treasury and not against railways. This need not interfere with the discretionary power of the Railway Commission to run special excursion trains or cater for special business.

7. To combine the administrative functions of railways, transport, tramways and ferries, traffic, zone safety council and main road con-

struction under one Minister with an Assistant Minister who might also control harbours and shipping.

Some of the foregoing recommendations could be implemented without reference to the other States; and if a co-ordinated programme were adopted, then participation by the Commonwealth Government and the other States would be absolutely essential. I have tried as far as possible to avoid any political note. As I said earlier, this matter is of national concern rather than political.

I would like to touch on the vexed question of broad gauge which will certainly be raised if discussions take place at Commonwealth level. I cannot see that a broad gauge would be an advantage to this State. If we constructed a line say, from Fremantle to Kalgoorlie, it would be a very costly project. If we had that, there would be seven breaks of gauge between Kalgoorlie and Fremantle. There would be a break of gauge at Kalgoorlie itself, on the northern line coming in; there would be one at Coolgardie, which deals with the goods coming from Esperance; another one at Southern Cross; another at Merredin; another at Northam, which takes in the Northam traffic; one at Spencer's Brook which takes in the Albany traffic; and another at Midland Junction, which takes in the traffic from the Geraldton line.

This would entail double handling, at a tremendous cost, of nearly 3,000,000 tons in total, particularly with the smaller volume of traffic which comes over the Trans. line. In the meantime, we would have to put our own line in order to maintain the traffic until the alternative broad gauge was built. That would be a costly and long-term programme. I think we must be satisfied with our own system and that we should endeavour to put it in order. There is no virtue in any particular gauge. In Victoria the gauge is 5ft. 3in. in New South Wales it is 4ft. 8½in. and in Queensland it is 3ft. 6in.

This question of standard broad gauge has been considered, but it has never been agreed to. In India there are thousands of miles of 3ft. 6in. gauge and the same gauge is in use in Japan, South Africa and New Zealand. All those countries have found that, provided their railways are maintained in good condition, they can give all the service that is necessary. For these reasons I suggest that we would be well advised to concentrate on our own system and put that in order, and when we have done that, we will find in it the answer to our problems.

Much has been said about road transport. I think it should be complementary, not competitive to rail transport. I hope the suggestions I have made, if carried wholly or partly into effect, might help solve this tremendous problem to the satisfaction of all concerned and of the people generally. I have pleasure in supporting the motion.

**HON. E. M. HEENAN** (North-East) [9.0]: I desire to support the motion, and in doing so will crave the indulgence of the House for a brief period while I discuss a few matters I feel it my duty to mention. Before proceeding to them, I would like to join with others in the congratulations that have been extended to our two new Ministers; to yourself, Mr. Deputy President; and to our new member, Mr. Griffith. I would also like to associate myself with the tributes paid to the late Mr. Carew-Reid, who was a most kindly gentleman and a valued friend to all of us.

The province I have the honour to represent covers a vast portion of the State that is devoted almost exclusively to gold-mining, and I therefore propose to say something about that most important industry. Goldmining is still passing through a difficult period, but it faces the future with characteristic optimism and confidence. The world price of gold remains at 35 dollars per oz. as it has done since 1934. It was hoped, with some degree of confidence, that the recent meeting of the International Monetary Fund would have approved of a rise in the price of gold, but American influences have again apparently defeated our hopes in this regard. There are signs, however, that the convertibility of sterling is likely to become an accomplished fact, and bound up with that would appear to be an increase in the price of gold.

My own opinion, formed after a fairly careful survey of what has been published in the Press over a long period, is that we will see an increase within the coming 12 months. This view is fortified after reading in today's issue of "The West Australian" a report from New York that the United Kingdom is expected to press for a showdown with the United States next September on the subject of convertibility. This statement seems to imply we are serving 12 months' notice on America that something must be done. It is to be hoped therefore that the Federal Government will continue to press the views of Australia and add its weight to the fight which has long been put up by South Africa and the United Kingdom. I feel that the coming 12 months will decide the issue, and therefore the present strong trend towards convertibility of sterling must be assisted in every conceivable way.

The stakes are high, especially from the viewpoint of Australia, where the economic development of large areas is bound up almost wholly with the mining industry. In recent years many people in Australia have been apt to forget the importance of the mining industry and the part it has played in the nation's development. Wheat and wool have overshadowed gold, and some sections of the people would appear to be willing to go so far as to let the industry die altogether. It is well

to remember therefore that a large part of this State in particular is, always has been, and always will be dependent for its existence mainly on the goldmining industry. If we are to maintain existing towns and populations in many far distant parts of Western Australia; if we are to practise what we preach about decentralisation; and if we are to develop and occupy this State in accordance with our destiny, we must pay due regard to the needs of the industry and those engaged in it.

If, therefore, we believe that goldmining is important and has a vital role to play in the development of this State, we must pay it due attention. For instance, what of the future? It is an axiom of mining that even the largest and best of mines get worked out in the course of years, and we therefore have to keep in mind the fact that some day all of our existing mines will be exhausted. Thus it is essential, in order to ensure the continuance of the industry, that new mines be found from time to time. The people who find new mines are the prospectors. It was the prospectors who found the mines at Coolgardie, at the Golden Mile, at Norseman, at Gwalia, at Hill 50, and so on. It is the prospectors who will find the new mines which will ensure the continuance of the industry and which now lie hidden in hundreds of thousands of square miles of auriferous areas in this State. It should be realised therefore that the prospector is a very important person and one whose well-being should receive constant attention.

The present-day prospector has gone a long way. Invariably he is now highly skilled at his work and has a wealth of technical knowledge which he has gained from training and experience. Also, it is well to bear in mind that he is usually a married man, with the normal financial obligations of a home and family. His circumstances in this regard should be taken into consideration because his calling is an uncertain one and financial rewards, although spectacular at times, are frequently few and far between. However, as I have tried to point out, the prospector is a key man in the industry and it is absolutely essential not only to attract the right type of man, but to assist him in every possible way.

Some years ago the Government of the day appreciated the point I am trying to make, because it brought into being what is commonly termed the Government prospecting scheme. This scheme has done a lot of good, and prospectors who have availed themselves of it over the years have been responsible for producing a lot of gold and finding worthwhile shows. The present Minister for Mines is to be commended for steps he has taken to liberalise the benefits under the scheme and for making other worth-while concessions to



prospectors. I am not unmindful also of the work done in this connection by the former Minister for Mines.

However, I think the time has arrived for a more comprehensive scheme altogether to be formulated, and I hope something will be attempted in this connection. A plan to find new mines should be the basic idea and the best men available should be encouraged and attracted, with due allowance being given for their financial commitments. If one good mine were located as a result, it would justify the expense in lots of ways. A revival in the industry would be one of the best answers to the increasing danger of centralisation, which has been accentuated gravely in this State by the developments at Kwinana.

This brings me to the subject of railways, and in this connection I urge the Government to give the most serious consideration to the matter before discontinuing any of the existing lines on the Goldfields. Here the whole picture is liable to change almost overnight, as has been instanced at the Hill 50 Mine, Mt. Magnet and, in recent weeks, at the Lancefield Mine, Laverton. Unfortunately the outlook at Wiluna does not look promising from a mining point of view at present; but who knows what tomorrow may hold? Then again this town is no barren outpost, dependent solely on gold and other minerals. It has limitless supplies of fresh water, is the centre of a thriving pastoral industry that has grown up within recent years, and is certain to extend further; and it is the doorway to vast, unexplored areas that remain to be opened up. The people in this district therefore have, in my opinion, a strong case for the retention of their railway.

The only other matter I intend to touch on briefly at this fairly late hour is the vexed question of the franchise for this Chamber. I anticipate that once again a measure will be brought before us on this matter, and I hope that in the interim members will give careful and considered attention to the proposals to modify in some ways this outmoded franchise. Only recently, at the last election held in June, we had the spectacle of a very small percentage of the people who were enrolled exercising their privilege to vote. I have said repeatedly, and say it again, that if we are to remain in step with the times we must keep a constant watch on our democratic institutions and see that they are up to date.

This world is moving forward at a vast rate and democracy and its institutions cannot remain static. I believe implicitly in the parliamentary form of government. I also see a lot of advantages in a second chamber. It is not only a check on hasty legislation; it is also a check on one House becoming too omnipotent or all-powerful.

There are strong reasons, on the other hand, for the abolition of such an expensive setup in a State with such a comparatively small population.

The Upper House has been abolished in New Zealand and Queensland, but I can see the merit in its retention here. No political party will always be in charge in either Chamber, and there is much to be said in favour of the retention of the Legislative Council. I stipulate, however, that the second chamber should comply with democratic standards, and that the great majority of the people should have a voice in it. There has always been on the part of the public a great deal of ignorance about the qualifications for the franchise of this House. I have here a pamphlet issued in June of this year by Mr. C. P. Smith, J.P., journalist, and Liberal candidate for the Suburban Province. He was for many years managing editor of "The West Australian," is a member of many laudable organisations, and has held a high place in the community. The pamphlet states that Mr. Smith has a keen understanding of the State and its requirements, with the ability and energy to serve its best interests and yet, at the foot of the pamphlet, he says—

The Suburban Province embraces the eight Legislative Assembly electorates of Mt. Hawthorn, Mt. Lawley, Maylands, Middle Swan, Guildford-Midland, South Perth, Victoria Park and Canning.

Only electors residing in these areas are entitled to vote for the Suburban seat.

That publication was authorised by H. A. Wells, Bible House, St. George's Terrace, Perth, and was, as members can see, completely misleading. I have quoted it to exemplify the ignorance of the public in general of the requirements for the franchise of this House.

Hon. L. A. Logan: That is no reason for altering them.

Hon. E. M. HEENAN: Coupled with numerous other reasons it is, I contend, a strong reason why the franchise should be simplified. I have no personal or party motive in advocating this change, which I do not think would have dire effects on the election of members to this Chamber. If people were to understand and exploit the numerous qualifications, a great many more would be on the rolls, but they do not understand and cannot exploit those qualifications, and so we have the sorry spectacle that is seen whenever an election for this Chamber is held. If we could say to the people, "Every man and wife who occupy a house or pay rent or own a house can have a vote," there would be many more on the roll, as that would cover freeholders, leaseholders, equitable

freeholders, ratepayers and all the others in one simple category that the public could understand.

Hon. N. E. Baxter: Many would not vote if they were on the roll.

Hon. E. M. HEENAN: Unfortunately that is true of some people. They are given the great privileges of democracy and if they who do not vote increase greatly in number, I believe those privileges will be filched from them as the years go by. I have nothing but contempt for the person who accepts the blessings of democracy but does not fulfil the simple obligation of exercising his or her vote. I cannot understand the attitude of these who believe that we should not budge from the present franchise in any way. We should retain our institutions but constantly improve them. If we can get the people as a whole to take an interest in the affairs of the country, the future of democracy has nothing to fear from any of the ideologies that are being preached about the world today. I am pleased to support the motion.

On motion by Hon. N. E. Baxter, debate adjourned.

*House adjourned at 9.25 p.m.*

## Legislative Assembly

Tuesday, 15th September, 1953.

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The SPEAKER took the Chair at 4.30 p.m., and read prayers.