

Legislative Assembly

Wednesday, 16th September, 1953.

CONTENTS.

	Page
Questions : Health, as to sewerage system, North Wembley	598
Irrigation, as to new rating charges	598
Transport, as to rail and road costs and maintenance	598
Government employees, as to provision for retiring allowances	598
Hotel Raffles, (a) as to transfer of license	599
(b) as to member's question	599
Railways, (a) as to announcement of increased freights	599
(b) as to Premier's election promise	599
(c) as to effect of increase	600
(d) as to loss on metropolitan services	600
Budget, as to introduction	600
Motions : North-West, as to income taxation exemption	601
Pensions, as to inadequacy of increase	614
Gaol prisoners, as to legislation for parole	626
Bills : Income and Entertainments Tax (War Time Suspension) Act Amendment, 1r.	600
Entertainments Tax Act Amendment, 1r.	600
Industrial Development (Kwinana Area) Act Amendment, 1r.	600
Adoption of Children Act Amendment (No. 2), 1r.	600
Kalgoorlie and Boulder Racing Clubs Act Amendment (Private), 3r.	601
Criminal Code Amendment, 3r.	601
Local Courts Act Amendment, 3r.	601
Government Employees (Promotions Appeal Board) Act Amendment, 3r.	601
Mine Workers' Relief Act Amendment, report	601
Associations Incorporation Act Amendment, report	601

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

QUESTIONS.

HEALTH.

As to Sewerage System, North Wembley.

Mr. NIMMO asked the Minister for Water Supplies:

When will the pumping station at Herdsman Lake for the sewerage system of North Wembley be ready for house connections?

The MINISTER replied:

The pumping station will be completed and the low lying portion of the area (about 60 per cent. of the total sewerage reticulation area) will be available for house connections at the 31st October next.

IRRIGATION.

As to New Rating Charges.

Mr. MANNING asked the Minister for Water Supplies:

Under the new irrigation rating system, what charge is made for—

(1) Water used on land in excess of the rated area—

(a) first watering;

(b) additional waterings?

(2) Water used for early germination and softening—

(a) first watering;

(b) additional waterings?

The MINISTER replied:

(1) and (2) The irrigation season has not yet commenced. Consideration is being given to recent recommendations by the Irrigation Commission for variation of existing charges, and the hon. member will be advised when a decision is reached.

TRANSPORT.

As to Rail and Road Costs and Maintenance.

Hon. C. F. J. NORTH asked the Minister for Transport:

For the purpose of comparison and assuming the questions relate to similar normal territory, would he please inform the House—

(1) What is the estimated cost per mile of construction of main line single track on W.A.G.R.?

(2) What is the estimated cost per mile of a main road of suitable width for modern traffic and capable of withstanding the heaviest trucks?

(3) How would the upkeep of these two ways compare?

The MINISTER replied:

(1) £10,000 per mile for 60 lb. track with gravel ballast; £15,000 per mile for 80 lb. track with stone ballast.

(2) The estimated cost per mile of a two lane surfaced road capable of carrying legal loadings is £10,500.

(3) Railway—£350-£550 per mile, varying with density of traffic. Road—£250-£350 per mile, varying with density of traffic.

GOVERNMENT EMPLOYEES.

As to Provision for Retiring Allowances.

Mr. BRADY asked the Treasurer:

Is any consideration being given to increasing—

(1) Superannuation for retired employees?

(2) Gratuitous payments to those employees not in the 1871 scheme?

The TREASURER replied:

(1) Yes.

(2) No.

HOTEL RAFFLES.*(a) As to Transfer of License.*

Mr. OLDFIELD asked the Minister for Justice:

(1) Is he aware of the report in "The West Australian" of the 15th September, that an Eastern States company proposes to take over the Hotel Raffles at Canning Bridge?

(2) Is he aware that a person named Abe Saffron visited the State recently in reference to negotiations for this hotel?

(3) Is the said Abe Saffron the person of that name who is stated to have been charged with perjury in connection with the New South Wales Liquor Commission?

(4) If so, is the said Abe Saffron connected with the management of the company?

(5) If the answer to No. (4) is in the affirmative, should not the Licensing Court be requested by him to refuse the transfer of license?

The MINISTER replied:

(1) Yes.

(2) No.

(3) and (4) This person is entirely unknown to me.

(5) I have no jurisdiction in regard to the transfer of liquor licenses but no doubt the matter will be investigated by the Licensing Court.

(b) As to Member's Question.

Hon. J. B. SLEEMAN (without notice) asked the Minister for Justice:

(1) Referring to the question by the member for Maylands, does he agree with members using their official position in this House to defame a private person who is not here to defend himself?

(2) Does he agree that the Minister should request the Licensing Court or any other court to take any particular action?

(3) Does he agree that the question has nothing to do with him and that it was asked by the hon. member for an ulterior motive?

The MINISTER replied:

(1) and (2) No.

(3) I do not know whether the question has anything to do with the hon member or what his motive was in asking it.

RAILWAYS.*(a) As to Announcement of Increased Freights.*

Mr. HEARMAN (without notice) asked the Minister for Railways:

(1) Is the announcement in today's "Daily News" about rail freight increases to be taken to mean that there will be no increase in passenger fares?

(2) If the answer to No. (1) is "Yes," does the Government consider this action discriminatory?

(3) Can the Minister advise the House of the approximate proportion of the railway working loss attributable to coaching traffic?

(4) What portion of the working loss sustained by the coaching traffic may be attributed to the metropolitan-suburban service?

The MINISTER replied:

(1) The announcement that there will not be an increase in passenger fares is correct.

(2), (3) and (4) I suggest that the hon. member give notice of the questions.

(b) As to Premier's Election Promise.

Hon. Sir ROSS McLARTY (without notice) asked the Premier:

Further to the announcement in tonight's "Daily News" that railway freights will be increased from 20 to 35 per cent., does he consider that he is keeping faith with the electors of Western Australia? I refer him to his statement in his policy speech published in "The West Australian" on the 23rd January last, in which he was reported to have said—

Labour would make an all-out effort to prevent railway freights from rising above their existing levels until land settlement consolidation, closer settlement and other efforts allowed reductions.

In view of the fact that the Premier knew the position, does he consider that he was justified in making that promise?

The PREMIER replied:

I knew the financial position of the railways only as disclosed in the public Press from time to time to the end of December, 1952, and, speaking from memory, possibly to the end of January, 1953, but no later. The finances of the railways deteriorated very badly during the remainder of the financial year 1952-53, and have continued to deteriorate very seriously during the first quarter of the current financial year that will end on the 30th of this month.

When I returned from England and before I attended the Premiers' Conference early in August, it was obvious to me that the increasing of railway freights could not be avoided, and so the one big objective I had at the Premiers' Conference was to try to obtain for Western Australia, by way of taxation reimbursement and supplementary grant, a total payment sufficiently large to obviate the necessity of making any increase in railway freights or, alternatively, if that could not be achieved, an amount sufficiently large to ensure that any increase would be only small. Unfortunately, as is now well known, the Commonwealth Government

agreed to increase the total payment to Western Australia this financial year under the two headings I have mentioned by only 4.06 per cent. above the total payment of last year. This increase is not nearly sufficient to meet the ordinary increase in costs on the activities carried out last year which, of course, have to be carried out this year, let alone to meet the many new and increased charges which flow from increased population, and the commitments due to increased population, on the service which it is the obligation of the Government to make available.

So the decision which was made at the conference not only failed to help us in regard to the problem of railway finance but, indeed, in effect made it much worse. Therefore, there developed a situation in this State in regard to railway finance which it was beyond the power of anyone to handle satisfactorily or safely.

Hon. Sir Ross McLarty: You said the state of the finances was deplorable and grim, yet you made these promises.

The PREMIER:—unless it was handled along the lines which the Government has reluctantly decided to follow. If the Leader of the Opposition wants an all-in debate on the matter—

Hon. Sir Ross McLarty: I would not mind it, and we shall have it.

The PREMIER:—he is at liberty to ensure that it takes place, and then all the circumstances surrounding the problems of railway finance and of election undertakings—both at the last elections and at the previous elections—can be fully debated.

(c) As to Effect of Increase.

Mr. NALDER (without notice) asked the Premier:

Will he agree—

- (1) That the increase in railway freights will definitely increase the cost of living in this State?
- (2) That it will be one of the biggest blows that primary production in Western Australia has had for many years?

The PREMIER replied:

(1) I think it will, without doubt, have an effect upon the cost of living.

(2) I would say it is by no means the biggest blow which primary producers in this State have received over the years. I could on the spur of the moment indicate a number of others they have sustained since 1929. In this regard, it has to be remembered that the Railway Department provides an essential service to primary producers, and this service has been made available for a great many years at a loss.

There are many other charges imposed upon primary producers for which the service provided is not nearly as valuable

as that given by the railways. The farmers also have to carry heavy charges for which they receive no direct service at all. I should think—and this is on the spur of the moment, too—that the taxation burdens imposed on farmers in recent years would in total to each individual farmer be a much greater blow than will be the one due to the increase in rail freights. In return for the taxation paid, the farmer gets no direct service although, admittedly, he gets a number of valuable indirect services and benefits.

(d) As to Loss on Metropolitan Services.

Mr. BOVELL (without notice) asked the Treasurer:

Is it not a fact that the imposition of railway freights has been made to provide finance to keep the metropolitan railway services in existence; that the primary producer and the country resident are required to pay extra freights to provide metropolitan people with cheap rail transport?

The TREASURER replied:

No. There is not a scrap of truth in that. It is completely wide of the mark. I should say that the Railway Department, the Government and the people of the State generally lost, last financial year, £5,000,000 in providing railway services to country districts, although admittedly the disastrous metal trades strike was an important factor. The losses on the metropolitan railway system would be very minor compared with the heavy losses incurred on the country railway lines.

BUDGET.

As to Introduction.

Hon. Sir ROSS McLARTY (without notice) asked the Treasurer:

Will he indicate when he proposes to bring down the Budget?

The TREASURER replied:

As far as I am able to judge, the Budget should be introduced at the beginning of the second week in October. I am hopeful that it may be introduced before then, but I do not want to suggest an earlier date and then fail in respect of that date.

BILLS (4)—FIRST READING.

1, Income and Entertainments Tax (War Time Suspension) Act Amendment.

2, Entertainments Tax Act Amendment.

Introduced by the Premier.

3, Industrial Development (Kwinana Area) Act Amendment.

Introduced by the Minister for Industrial Development.

4, Adoption of Children Act Amendment (No. 2).

Introduced by the Minister for Child Welfare.

BILLS (4)—THIRD READING.

- 1, Kalgoorlie and Boulder Racing Clubs Act Amendment (Private).
 - 2, Criminal Code Amendment.
 - 3, Local Courts Act Amendment.
 - 4, Government Employees (Promotions Appeal Board) Act Amendment.
- Transmitted to the Council.

BILLS (2)—REPORT.

- 1, Mine Workers' Relief Act Amendment.
 - 2, Associations Incorporation Act Amendment.
- Adopted.

MOTION—NORTH-WEST.

As to Income Tax Exemption.

HON. A. F. WATTS (Stirling) [4.55]:
I move—

That, in the considered opinion of this House, it is essential for the defence and development of the Commonwealth, as well as in the interests of Western Australia, that in view of the decreased population and production of that part of the State lying north of the 26th parallel of south latitude, new methods must be tried to develop and populate that area and therefore this House is of the opinion that, as one important means to that end, effect should be given for a period of ten and preferably twenty years, to the income tax exemption proposals submitted to the Federal Treasurer in 1951 by an all-party delegation sponsored by the then Government of the State, or to proposals similar to them, and requests the Hon. Premier to forward this resolution to the Prime Minister of the Commonwealth asking that the Commonwealth Government agree to take action accordingly.

In moving this motion I would like to say that, after consultation with you, Mr. Speaker, I propose to ask the House to allow me to change one word and I will mention the reason for it at the appropriate time. The genesis of the proposal under discussion was an approach made by three North-West gentlemen to the local authorities whose districts were north of the 26th parallel. In that approach they mentioned a proposal, which I will give to the House later, setting out certain taxation reforms which, in their opinion, would result in considerable development and increased population in that area. In the presentation of that proposal to the proper authorities, these three gentlemen sought the support of the local authorities to which I have referred.

It is on record, I think, that every one of the local authorities concerned, having discussed the proposal presented to them, supported by the necessary communications, came to the conclusion that it was worthy of their support and they agreed

to the suggestion that these three gentlemen, Mr. F. F. Thompson, of Pardoo Station, Port Hedland, Mr. W. A. Leslie, of Nunyerri, and Mr. L. G. Hancock, should present it to the proper quarter on behalf and in the interests of the residents of the area concerned. As a result of that approach to the matter and after further consideration by the gentlemen concerned, they, in conjunction with Hon. Frank Wise, then Leader of the Opposition and member for Gascoyne in this House, approached the Government of the day. Owing to the absence of the present Leader of the Opposition in England, I was Acting Premier at the time and these gentlemen asked that a delegation be arranged to the Federal Treasurer so that the case might be presented to him with a view to consideration of the proposal by the Federal Government.

The then Cabinet agreed to the proposition and as a result the three gentlemen in question, Hon. Frank Wise, Mervyn Forrest, then a member of the Legislative Council for the North Province, and myself, in June, 1951, waited upon the Federal Treasurer at Canberra. The then Government of this State decided to sponsor the delegation, to provide a substantial portion of the expenses of the delegates in question and to support the proposal which was being put forward by the committee, subsequently known as the Northern Rehabilitation Committee. I might say at the outset that the proposal dealt not only with the part of Western Australia which lies north of the 26th parallel but also embodied reference to the Northern Territory and an area to be defined in North Queensland. At a discussion which ensued between the committee, Mr. Wise, and myself, it was decided that an approach should be made to the Premier of Queensland, at that time Hon. E. M. Hanlon, in an endeavour to obtain his support. It is on record, too, I think, that Mr. Wise did make that approach and received the general agreement of Mr. Hanlon to the proposal.

Unfortunately, as I understand the position, the almost immediate illness of Mr. Hanlon, and his subsequent death within a comparatively short period, rendered that co-operation somewhat nugatory. In the motion I shall submit, I have left out all reference to the Northern Territory or to Northern Queensland because I consider, whatever representations this House might be entitled to make in regard to a portion of Western Australia, notwithstanding the fact that the other areas were originally in the proposition which was put forward by the committee, it would be unwise for us to go outside the borders of this State. Accordingly I have said nothing about it.

Before I go any further it is necessary for me to say that I consider there are three parts of this matter to be explained

First, there is the proposal put forward; second, the facts or reasons which the committee had to support it; and third, some reference to the constitutional aspect, because there is a constitutional aspect which has to be considered, although, in my opinion, and in the opinion of others whom I will mention and who are far better qualified than I am to judge, that constitutional aspect can be overcome—if it exists at all.

So, first of all, I propose to read shortly the proposal that we put forward concerning taxation exemption in the area north of the 26th parallel for a period of years—of which 20 was suggested—as a means, or one means, of helping to establish and develop more population and industry in that part of Western Australia to the ultimate advantage, not only of this State, but of the Commonwealth as a whole.

The proposal we put forward was that all territory north of the 26th parallel of Western Australia should be declared a tax-free area for a period of 20 years for all wage and salary earners; that all business enterprises whatsoever operating in the defined area, whether operated by limited liability companies, partnerships or individual owners, whether resident or non-resident in the area defined, should have 60 per cent. of their income which was derived within the defined area, free of tax. The remaining 40 per cent. should also be free of tax, provided it was invested at the discretion of the owners or owner on development within the defined area; otherwise it would be taxable.

There has, of course, over a period of years, been Federal legislation or ordinances which have provided for certain tax remissions in the Northern Territory, but they are not to be confused with this proposal at all. While they may have made some contribution to the affairs of the Northern Territory, on which I do not propose to sit in judgment, they were, for a very short period of time, not exceeding five years, dealing with persons engaged in primary production only, and during the last year or two have since been replaced by proposals of a comparatively minor and quite different nature.

So I do not think they can be taken into consideration at all in support, or otherwise, of the proposal put forward by this Northern Rehabilitation Committee in 1951 and for which I know, and many members of this House know, they are continuing to work to the utmost of their ability by every practicable means, because they are convinced, as indeed I am personally convinced, that the proposition they put forward, or some proposal similar to it, is not only well worth trying but, on the face of it, and taking into consideration the ordinary aspects of human nature, is one which is likely to make some substantial contribution to the development of this area.

In my opinion, it should in no circumstances be left untried. It will be noticed that contrary to the proposition which was in force in the Northern Territory for some considerable time, this proposal seeks to exclude from its benefits no one who has to work or has interests in the area in this State north of the 26th parallel. It proposes to completely exempt from taxation all wage and salary earners; it proposes to do the same thing with business enterprises, provided a proportion, namely 40 per cent., shall be exempt only on the condition that it is re-invested in the area on developmental work or projects.

From time to time, over a very long period of years, there have been various propositions financed by various Governments of this State, and in some instances supported by the Commonwealth Government, aimed at increasing the development and thereby the population of the area north of the 26th parallel upon which very considerable sums of money have been spent but which have not, I think the facts reveal, done a great deal to achieve the results which the committee has in mind, and with which this motion proposes to deal. I think I am correct in saying that the only instance where there has been any very substantial improvement in the population and development of the area in question is where substantial sums of outside capital have been brought in by various companies and organisations.

One can refer to the asbestos developments at Wittenoom Gorge; one can refer to the two whaling stations—one Government-financed on a very large scale and the other privately financed—which have made some substantial contribution to developments in those areas. One can, on examination, refer to two or three ventures of similar character in scattered parts of the area which we are discussing. In those places have been found what slight increase in population there has been and what substantial increase in some cases, there has been in production of an industry directly attached to the investments in question.

If one were to exclude the increases in population that have been directed to that area by those limited number of developments, mainly by outside capital, one would find that the overall population of the area has not increased in the last 50 years. In fact, I have here some figures on those very aspects which were prepared for the delegation in question and which have since been brought up to date as far as practicable. On the 31st March, 1901, 52 years or more ago, the population of the whole of the Commonwealth of Australia was 3,773,801. The population of Western Australia north of the 26th parallel was 6,204. On the 3rd April, 1911, 10 years afterwards, the population of Australia was 4,455,000 and the population north of the 26th parallel was

6,498. The population subsequently dwindled below that figure until the 1940's, when, on the 30th of June 1947, the total for the Commonwealth was 7,579,358 and the population of the area we are discussing had risen to 6,880. On the 31st March, 1953, the figures given to me show that the population of Australia is 8,752,819 and the population of the area north of the 26th parallel is 7,715.

So while the population of Australia has risen in the intervening 50 years by just short of 5,000,000—an increase of over 150 per cent—the population of the area north of the 26th parallel has increased by only 1,511. Therefore, from the additional population of the whole of Australia of nearly 5,000,000, the area in question has absorbed a total of only 1,511 people. As I have said, I question very much—I think the view I am expressing was borne out by the member for Gascoyne in a thoughtful speech he delivered to the House a few weeks ago—that had it not been for the isolated major developments to which I have referred, the overall figures would have been less than they were some years ago.

Therefore, there is no doubt whatever that if we are to make some endeavour to populate this extremely large part of Western Australia, it is necessary for us to take some steps that hitherto have not been taken and to ascertain, by their application, whether we can achieve something better than has been done in the last 50 years. The members of the committee I have mentioned, having had many years of experience both in pastoral and mining work in the North-West, had, after a great deal of thought and consideration, come to the conclusion that the proposal they were putting forward was more likely to achieve what they had in mind than anything else that had been done or could be done, because, as I have tried to indicate, and as the member for Gascoyne in that thoughtful speech also mentioned, the bringing of substantial sums of outside capital into these isolated areas is the most likely means of hastening their development and thereby substantially increasing their population.

With the hon. member, I agree that the defence of Australia must be taken into consideration when discussing a matter such as this. One of the members of the committee, in the course of the journey we made to Canberra, in connection with the deputation I have referred to, said to me, "We live perhaps 700 or 800 miles away from the teeming millions north of Australia and we have a far better appreciation of that growing problem than those who live much further away and in more densely populated areas where their thoughts probably run on somewhat different lines." I think that no Government, be it State or Commonwealth, can afford to overlook the situation that could develop if a period cannot be put to the

state of affairs which has existed in the northern areas of Western Australia in relation to population and development.

Those of us who have grasped any opportunity that is offered to us to try to understand, either by discussion with those who are well versed in that country and its problems or by reading the many publications that are available from time to time, must have come to the conclusion that the area in question is rich in many forms of wealth which are not even yet appreciated, and that those that are known to exist are capable of vast development; that the agricultural and pastoral possibilities of the area, although much more extensive than those that have already been proved, are perhaps comparatively small as against those other potentialities which Nature has provided for it, sometimes in quite inaccessible places.

When this delegation or deputation was taken to the Commonwealth Treasurer it was received quite sympathetically. The views of the delegation were conveyed to the Commonwealth Treasurer by all the six members present, each of whom expressed his own point of view. I do not propose to weary the House with the whole of all that was submitted to that right honourable gentleman, but I would say that, on behalf of the State Government at the time, I tried to summarise the point of view that was being put forward by each and all of us and particularly by those very knowledgeable people that accompanied me, in order to demonstrate to the Commonwealth authorities that our belief in the justice of the proposal being put forward and the possibility of its being successful was sincere and was, by no means, as would be quite obvious from the personnel of the deputation, based on any party consideration whatsoever. At the conclusion of the introductory remarks, these words were used by me—

What incentive is there for any individual or any company to bear and put up with severe climatic conditions, the absence of the many decencies of life, the detachment from the great centres of population, the incidence of occasional drought and cyclonic disturbances, only to find the income he earns and the return his investment makes is subject to virtually the same heavy taxation as a similar income or return gained in hospitable areas and in a salubrious climate, where every facility and comfort abounds? It is contrary to human instincts, and particularly those of this period, that employment and investment should be sought in such areas in such circumstances.

I think this adequately sums up the case that was presented by those gentlemen to the Federal Treasurer. There is

one reference to people in the North being "subject to virtually the same heavy taxation as a similar income or return gained in hospitable areas and in a salubrious climate." On that point, I should remind members that a small measure of relief was granted under Federal legislation which declared zones "A" and "B" in which differential relief was granted to taxpayers residing in those areas. That did not create any worthwhile effect. It has been in operation, I think, since the early days of Mr. Chifley's Government, but it has not made any great contribution to progress in that area or in any other of the several areas throughout the Commonwealth where it has operated.

Another reference to which I might allude is the statement "that it is contrary to human instincts, and particularly those of this period, that employment and investment should be sought in such areas in such circumstances," because we know perfectly well that unless there is a strong incentive to individuals, whether they be workers for wages and salaries or people in the position of investors, they seek to obtain their reward as a general rule—admittedly there are some exceptions—in places where the conditions of life are most comfortable. That is the general trend today, and there are very few of us as a community that may be excluded.

There are bold men—few in number in proportion to the total population—who have a liking for adventure or for isolation, or for fossicking, and go to places that are shunned by most people unless they can find some reward commensurate with what they consider is the inconvenience experienced on venturing far away from the large centres of population. So I believe the necessity exists for an incentive, and a very strong one, too.

For many years, income taxation in Australia has been relatively high. If it can be said that persons who do go to work in those areas receive in Australian currency larger pay than those who work in the south, it can also be said that the chances are they pay more taxation because the higher one's income rises, not only is the amount of tax higher because of that fact, but the rate of tax also rises, so that an increase of a few pounds per annum in one's remuneration might easily entail payment of the greater part of the increase by way of taxation. While the present trend is for some decrease in income taxation, I venture to say that, in view of the commitments of the Commonwealth for current expenditure and for the servicing of its debts, as well as of the needs of the States, it will be necessary for taxation to continue at a relatively high rate.

In my opinion, there is not much likelihood of our reverting to the level of pre-war taxation, for example, for a very long time to come, if at all. I would be per-

fectly safe in suggesting that in the next 20 years, at any rate, the incidence of income taxation in Australia will be pretty high. Therefore I am satisfied that if some incentive were applied now, it would be likely to operate over the whole period of 20 years. I have said something of what was put forward as the essence of the presentation by the State Government of the day, and I now propose to make brief reference to what was advanced by other members of the delegation.—

After more than 70 years of settlement, we find a total white population of under 7,000 in an area which is approximately one-seventh of the total area of Australia.

That was two years ago.

Serious thought must be provoked as to the difficulties which are deterring greater population. Some of the permanent problems are consequent upon climate and geography; some exist because of lack of attractiveness in amenities or cash recompense. Greater pastoral development could mean a population of 15,000 to 20,000 people engaged in pastoral pursuits within a decade.

In mining, the North-West has prospects of very many thousands of people being engaged in obtaining the various kinds of minerals which are to be found. Fishing and agriculture are two industries which have prospects of adding to the population. If the fishing were in the hands of some nations of the world, they would not only sustain fishing villages on the coast but would maintain from all avenues of fishing a considerable population.

In agriculture, there are very serious limitations, but with or without irrigation, some development of agriculture is likely to follow a better pastoral occupation as a natural sequence of events following the demand of an increased population. There are many areas in the Kimberleys and the Gascoyne where development could take place. In the former, fodder crops could be grown successfully to raise pigs, and concentration on what could be done in fodder growing and conservation of fodder to tide over the difficult months of the year would achieve very worthwhile results.

They went on to say—

The Mines Department of Western Australia can show where a tremendous number of minerals exist. It can show where profitable workings now occur in gold, iron, asbestos, silver, lead and mica, and it can also show where occurrences of other valuable minerals could mean a large mining population if there were an

intense campaign for the location of minerals and the development of the finds.

The best possible encouragement is tax free production for all people who are prepared to invest capital and/or to work in these enterprises.

The inaccessibility and difficulties associated with transport have a serious effect on population in the North-West. Shipping and aeroplane services play an important part but road transport in a land of tremendous distances will continue to be the vital factor.

There are very many commodities for improvements which are available in the city, but by the time they reach their destination—perhaps 200 miles from a port—they cost many times the original purchase price.

Hundreds of thousands of pounds have been spent in the past on the existing and meagre port facilities. Some of the jetties are now serious problems because of their age, and there is the increasing susceptibility to the effects of cyclones.

Then they went on to comment on the effects of taxation—

It is contended that if a complete exemption from taxation were provided, and in the case of businesses a percentage of the tax so remitted were compulsorily reinvested in industry, there would not only be much more money used immediately for developmental purposes, but a considerable step-up in population and the starting of new enterprises.

It is claimed that no other form of Government spending can have the immediate effect, and the lasting result, that the refund of taxation can bring.

There is a strong case for taxation exemption for people earning salaries and wages in the North-West. This exemption would offer higher wages, better living conditions, and amenities of all descriptions, and would attract many hundreds of people to the North-West in an endeavour to save money even though it meant living under somewhat difficult circumstances for the time being.

The amount involved would mean very little as a total in the revenue of the Commonwealth but a great deal to the individual, and, by the methods outlined, to the development of the area.

What I have quoted is the merest precis of what was submitted by the gentlemen in question because I have no desire to weary the House. I would, however, like to make some reference to the last paragraph where they say that the sum involved, dealing with the rebate of taxa-

tion, would amount to very little as a total in the revenues of the Commonwealth. It is impossible to obtain accurate figures of the income taxation derived in any year from the area north of the 26th parallel of south latitude, but I think a rough approximation can be made which may be taken as being fair enough for a discussion of this kind.

It has been worked out by taking the estimated revenue of the Commonwealth, from income tax, for any given year, and dividing it by the number of population for that year. This will give the rate of tax per head, and that rate is then multiplied by the number of people resident in the area north of the 26th parallel. This gives a rough approximation of what the taxation would amount to. The estimated income tax for 1953-54 is £532,000,000 which amounts to £6,115,000, for every 100,000 of population, so for 7,715 people—the latest figures I have available of the population of this area—it would be approximately £470,000.

If, as I believe, that is a reasonable approximation, then I suggest it would not be any substantial or worth-while detriment to the revenues of the Commonwealth if the whole of it were remitted. But, £470,000 divided amongst something like 10,000 people—allowing for some increases—would be a substantial amount to a great number of individuals, and would doubtless, as the committee suggests, make a substantial contribution towards what they want.

The members of the committee expressed to me many months ago the opinion that a greater allowance ought to be made than the calculation I have just given. If I double this figure, it becomes an amount of £940,000. If the remission of this sum will make the right contribution towards the development and the increase in population of the area in question, then once again I say it is well worth while remitting it, and it will not be a serious detriment to the revenues of the Commonwealth.

I submit these figures in good faith believing that the one I have put forward is the most likely one, quoting another in fairness to those who have from time to time discussed the matter with me and given me their views on the subject. It might be interesting before I leave this part, which I refer to as the reasons supporting the proposals put forward, to give the House a few figures on the production side. These were obtained from the Government Statistician and the Department of Mines, and were used in this matter.

In 1901 the value of copper obtained from this area was £12,139. In 1952 it was £8,655. In 1901 the value of tin was £27,174 and in 1952 it was £44,755. In the intervening period, up to 1951, every year showed a return much less than that for 1901, but the 1952 figure overtook that for 1901 for the first time. The fine ounces of gold raised in 1901 totalled

17,054. This figure was only exceeded in 1940 to the extent of a total of 20,649. In 1951 it fell to 7,852. I have no figures for 1952. In 1910 there were 2,071,095 sheep; in 1930 there were 3,249,000, or an increase of just over 1,000,000. In 1952 the figure was 1,955,000, or a decrease on the 1930 figure of approximately, 1,330,000.

The member for Gascoyne in the speech to which I previously referred said, I think, that the decline in his electorate has been in the vicinity of 1,000,000 up to the time of which he spoke. So that would be a considerable fraction of the total reduction which I referred to as amounting to approximately 1,330,000. In 1910 there were 653,949 cattle in the North-West and by 1940 that number had fallen to 500,289. By March, 1951, it had risen slightly to 509,225, a decrease of 144,000 in the total intervening period. On the 31st March, 1952, the number had fallen again to 498,039; a further fall of approximately 11,000, whereas in the same period, I am informed from the same source, in the Northern Territory the number of cattle increased from 513,000 to 1,057,906, an increase of approximately 100 per cent. over the total period. Therefore, against a decrease of approximately 155,000 in this State, there was an increase of well over 500,000 in the Northern Territory.

Without reading the figures, the same remarks can be used in relation to the pearlshell industry where there has, for various reasons, been a considerable reduction in production and where I believe, from all the information I can obtain, there is room for greatly increased production if the industry could be brought to a state where hearty development and activity could take place. I do not mean to suggest that these are the only proposals which should be considered in regard to the development of the areas in question, and the motion, I think, is plain in that regard because it says, "as a means to that end". This, in other words, is one of the ways, but I believe an important way.

If we are to agree that the attraction of capital to the area concerned is one of the main requisites for its development, the attraction of people who are prepared, in the hope of getting some better return for the same money than they would get elsewhere, to risk their capital is an important factor, and such persons must be given an incentive to risk their money. I do not think anyone could disagree with the member for Gascoyne when he made some reference the other night to this very subject, which I had had in mind for some considerable time. From the note I have here, he said—

One thing that would help and help very greatly would be a reduction in taxation. This can be done in many ways. For the purposes of the North-West taxation could be taken as a defence proposition. If the Govern-

ment were to give a remission of taxation in the defence angle this would encourage capital to be spent. Whenever capital is spent it naturally takes the workers with it and if the amenities are provided they would take their families along with them.

I could not in any circumstances have summarised what I am trying to put up in relation to this matter better than did the hon. member in those words. That is really the whole point of the proposition that has been put forward—a remission of taxation would encourage capital and wherever capital goes it must take with it people to make use of the facilities which it provides. Those persons, naturally, if they get reasonably comfortable quarters and conditions, will want to take their families with them, and so we have a very substantial number of people gathered around the centre or place where capital is being invested. I think it is the risked capital that we should encourage—that of people who expect to get fairly substantial returns which, under the present system of taxation as it applies to other areas, they are unable to obtain.

Before I deal with the constitutional aspect I will make some reference to the great interest that seems to have been attracted to the north-west of Western Australia in recent days by a journey which I understand, was arranged by West Australian Newspapers Ltd. I am informed that various eastern Australian and local journalists, and indeed one or two persons of similar character from overseas, were taken to various parts of the North-West where they met the members of this committee and discussed their problems and proposals and, as a consequence, have started a regular barrage of articles in the Eastern States' Press.

I have had opportunity in recent days, as most of these articles appeared in late August or early September, of reading the Melbourne "Herald," the Adelaide "Advertiser," and the Hobart "Mercury," in which these articles appeared. There is no question that if members care to look up those newspapers they will find that extraordinary interest has been created in the proposals in the minds of the journalists who took advantage of the fine offer made by West Australian Newspapers Ltd. and spent some time in the area and discussed matters with the people most vitally concerned.

As an example of what I mean I will read a short article from the Adelaide "Advertiser" of the 4th instant. It is headed, "Stimulating the North-West" and reads—

For over one century Australians have been trying with limited success to develop the enormous stretch of land lying outside the main areas of settlement. One of them is the North-West, the subject of three articles published in the "Advertiser" this

week. It is sometimes suggested that Western Australia, following South Australia's example in respect of the Northern Territory, should transfer to the Commonwealth all land North of the Tropic of Capricorn. Full development of that great tract may indeed be beyond the Western State's present resources but experience does not encourage an assumption that Federal controls work miracles. This is not to say that Canberra should not take a more active interest in the region.

It is clearly in the national interest that the food and mineral resources of the North-West be fully developed. Western Australia has been described, perhaps with more hope than realism, as the Texas of Australia. The resemblance would be increased, of course, if oil were found in either of the basins now being examined in the West. Such a discovery would accelerate the State's industrial growth, of which signs are to be seen in the £40,000,000 oil refinery and steel rolling mill being built on the shores of Cockburn Sound, but this progress in the South should not deter a fresh study of the possibilities of making better use of the North-West. A grandiose Federal-State works scheme there is at present impracticable.

But cannot means be found to encourage private enterprise and capital to go into the area?

"Yes" is the answer given this question by a representative North-West committee which seeks to enlist Canberra's support for a tax relief plan. With due financial compensation for the remoteness, high costs and other disabilities confronting new ventures in the area, this committee says the North-West can be peopled and developed more rapidly. The Commonwealth can hardly reject this body's considered proposals, without itself trying to offer some solution of North-West problems.

I think members will agree that there is considerable meat in that article, especially towards the end. I read it mainly as an indication of the interest that is to be found displayed in several of the Eastern States papers. They have published articles on similar lines and at much greater length and the articles show the interest that has been aroused by this investigation and the discussion which took place at the instance of West Australian Newspapers Ltd. While that state of affairs is present with us, I think it time that this House should, after due consideration, express its opinion on the proposal put forward by the committee.

After the Federal Treasurer had heard the delegation's views, it was arranged that the matter should be put before the

Taxation Advisory Committee, a body which advises the Federal Taxation Department on various taxation questions, particularly income taxation, that crop up from time to time. So about the middle of last year the committee arranged to appear before the Federal taxation committee and present its case. That was done at even greater length and in more detail than it was possible to do before at an ordinary deputation. A great number of questions were asked by the members of the Taxation Advisory Committee and I am given to understand that the members of the Northern Rehabilitation Committee were able to answer those questions with considerable force and, it is thought, to the satisfaction of the advisory committee.

It was a long time, however, before the taxation committee presented any report and when it was understood that a report was about to be presented to the Federal Treasurer, the Government of the day in this State wrote to the Federal authorities and asked that a copy be made available when the report was ready. I do not know now whether that report has ever been presented to the Federal authorities. The other day I asked the Premier a few questions about it and as he has not received a copy of the report he could not give me any information about it.

Whether or not the report is in existence, or whether its terms are still in the minds of members of the Taxation Advisory Committee, I do not know. But I suggest that if there is a report in existence, at least a copy of it should be made available to the State Government, even if, like the Dundas report of some years ago, it is made available on a confidential basis. However, I might mention that I am not in favour of making reports available on that basis, because it does present difficulties to the Government inasmuch as the contents of the report cannot be mentioned outside. That, of course, is a most unsatisfactory state of affairs. If this report has been made available by the Taxation Advisory Committee—and up to the time I was actively connected with the matter it had not been presented—I trust that at least the State Government will obtain a copy of it.

Now I wish to refer to the constitutional problem, and in dealing with this aspect I cannot do better than refer to a speech made in the Federal Senate in 1945 by Senator McKenna who, at that time, I believe, was acting as Attorney General in the Government led by the late Rt. Hon. Ben Chifsey. At that time Bills providing for taxation rebates in Zones "A" and "B" were before the Federal Parliament and Senator Leckie mentioned the constitutional aspects involved. Senator McKenna deemed it wise to make a reply.

At the time the delegation went to Canberra, it looked carefully into the reply with the idea of ascertaining whether the remarks were soundly based, and, if so, it was intended that other legal authorities or suggestions should be used to supplement that reply in an endeavour to overcome the constitutional problem, if such a problem existed. In consequence, an extremely substantial case, covering some pages, was submitted to the Taxation Advisory Committee indicating that if there were a constitutional difficulty,—which it was considered there was not—it could be overcome, although perhaps in a more cumbersome way than we would like, by other means.

As I have said, the genesis of this case was really the point of view expressed by Senator McKenna on the Income Tax Assessment Bill of 1945 on the 11th May, 1945, at page 1626 and following pages of the Commonwealth "Hansard" of that time. Among other things, Senator McKenna said this—

I was intrigued to hear the Acting Leader of the Opposition describe the portion of the bill dealing with regional allowances as the most dangerous provision ever inserted in a taxation measure introduced into the Commonwealth Parliament. I was also amazed when he said that it controverted the Constitution, being a breach of the provision that there shall be no discrimination between States and no preference extended to one State or part of a State over another. I join issue with the Acting Leader of the Opposition on that point. If it were merely a question whether his view or mine should prevail, I should be quite prepared to concede to him that he might be right and I might be wrong; but I regret that I find him at variance with high legal luminaries who have graced the High Court of Australia. He is at variance with Mr. Justice Isaacs and Mr. Justice Higgins in the Barger case, with Chief Justice Knox and Mr. Justice Rich in the Cameron case, with the same Chief Justice and Mr. Justice Powers in the James case, and with the present Chief Justice, Sir John Latham, in the Elliott case which was decided in 1935.

He goes on to say—

Whilst I regret all these things, I deplore the fact that I find the right honourable gentleman in conflict with the Lords of the Privy Council in the Moran case decided in 1940.

By reason of the fact that this constitutional issue was raised in the House of Representatives, a good deal of publicity was given to statements such as that the zoning provisions of the bill were intended to

torpedo the Constitution. The constitutional provision, which has been attacked and which appears in section 51, states—

The Parliament shall, subject to this Constitution, have power to make laws for the peace, order, and good government of the Commonwealth with respect to—

(ii) Taxation; but so as not to discriminate between States or parts of States.

There is a complementary provision in Section 99 which puts the corollary to that in these words—

The Commonwealth shall not, by any law or regulation of trade, commerce, or revenue, give preference to one State or any part thereof over another State or any part thereof.

I draw attention to the fact that preference shall not be given in relation to any law of revenue. Then we reach the position where the Constitution prohibits taxation discriminating between States or parts of States, or the giving of preference to a State or part of a State over another State or part of a State. Those two things have the same meaning or purport.

Further down he has this to say—

After having given my own view on this matter, I may crystallise the views of the High Court by saying that the prohibition against discrimination means that there shall be no discrimination between States or parts of States regarded as States or parts of States. Let me put the matter in another way. There should be no discrimination because they are States or parts of States. If there is a discrimination that is not based solely on locality, and considerations apart from locality supervene, then what is done does not fall within the prohibitions contained in section 51 (ii) or section 99. In short, the Constitution does not forbid a differentiation between parts of the Commonwealth regarded not as States or parts of States, but as parts of a single country—Australia. Nor do the sections referred to prohibit a discrimination based in natural or business circumstances.

In the case before us, the areas are marked out by three circumstances—those of climatic conditions, isolation and high cost of living. In other words, those three circumstances have marked out the areas; it is not a matter of picking areas to mark out circumstances. I think that that puts the views of the High Court, as I am certain the legal position would be upheld if the Opposition or anybody in Australia had the temerity to attack it.

That is a fairly strong statement, which I may amplify shortly, by Senator McKenna who, as I understand, was the acting Attorney General in the Commonwealth Government at the time, if my information is correct. He indicated, by a number of High Court judgments to which he referred—extracts from which I have read—that the decision to make some differentiation is based on circumstances such as we find in the north-west of Western Australia, such as climatic conditions, high cost of living, difficulty of transportation and so forth, but there is no discrimination between States or parts of States. If there had been, I think it will be agreed that it would have made no difference whether the rebate was 20 per cent. or 90 per cent.

A discrimination of one per cent. would be sufficient. Yet, although the law to which I have been referring, making a discrimination of 20 per cent. has been on the statute book for approximately eight years, nobody has ever made the slightest attempt, so far as I can ascertain, to object to it in the legal sense. So it seems to me that there is not much doubt that the points of view expressed, not only by Senator McKenna, but also in those judgments he drew upon for the views he did express, are the right ones, and that there is no possibility of a proposal that is embodied in the laws of the Commonwealth being declared unconstitutional supposing—which I regard as being extremely unlikely—that a case for unconstitutionality could arise in regard to zone "A" and zone "B" legislation.

So I believe that the constitutional problem is one that cannot be dismissed, because it is always possible that someone may raise it as one cannot be certain, until the last word is spoken, as to what the decision will be. Nevertheless, I think it is a matter that should not deter anybody from approaching the proposal in a practical manner and not purely from a constitutional point of view, which I would suggest would amount to tackling the problem in the hope of defeat. I am not saying that when the advisory committee asked for a point of view to be put forward on the constitutional issue, that that necessarily is its intention. It would be quite right to anticipate any difficulty that might arise and to be prepared to give a reply on the spot.

I understand the committee got it in some considerable detail at the time, evidencing the probability, if not the certainty, that the constitutional question could be safely disposed of in this manner. To round off this argument, I propose to refer briefly, as did Senator McKenna in his speech, to what two judges had to say. In what is known as Barger's case, Mr. Justice Isaacs had this to say—

The treatment that is forbidden, discrimination of preference, is in relation to the localities considered as parts of the States and not as mere Australian localities, or parts of the Commonwealth considered as a single country.

The pervading idea is the preference of locality merely because it is locality, and because it is a particular part of a particular State. It does not include a differentiation based on other considerations, which are dependent on natural or business circumstances, and may operate with more or less force in different localities.

Discrimination between localities in the widest sense means that, because one man or his property is in one locality then, regardless of any other circumstances, he or it is to be treated differently from the main or similar property in another locality.

Last of all, in the case of *Elliott v. the Commonwealth of Australia*, which dealt with a taxation matter, Sir John Latham, then the Chief Justice, said this—

These authorities make it, in my opinion, proper to hold that the discrimen which Section 99 forbids the Commonwealth to select is not merely locality as such, but localities which for the purpose of applying the discrimen are taken as States or parts of States. In the regulations in question, the application of the regulations depends upon the selection of ports as ports and not of States or parts of States as such. In my opinion, section 99 does not prohibit such differentiation.

So, as I said, while I do not ignore the constitutional problem that might arise if this proposition were put into effect, I still believe that that difficulty can be overcome. If it cannot, and if there is a constitutional difficulty, and if exemptions were granted to any section, as is proposed, whether it included as the committee wanted, the Northern Territory and parts of North Queensland, or whether it included the portion of Western Australia to which we are now referring, surely there are other ways of overcoming the difficulties if there is a will to do so.

I remember there was a flour tax law, under which I think Tasmania was to be exempted because no wheat was grown there at the time. The method adopted was that the tax was collected in Tasmania and the amount so collected in that State was given to the Tasmanian Government, which refunded the tax to the people who had paid it. That was expressly brought before the High Court of Australia to ascertain whether the grant to the State in those circumstances—under Section 96 of the Constitution, I think it was—was valid or not because it

had been derived indirectly from a taxation measure. If I remember rightly, the High Court decided unanimously that there was nothing wrong with the grant and that the State was quite at liberty to refund to persons who had paid the tax in the first place the sums they had paid, so that they were, in effect, ultimately exempt from all taxation on that matter.

So if, as I have said, this constitutional problem has any real merit, which I strongly doubt and, in fact, would deny, there is that alternative, although a little more cumbersome than the method I would prefer, to wit, that there should be an accounting of what taxation is received from this area in any given year and the amount to be paid over to the State as a grant on the understanding, which, of course, the State would honour, that it would be returned to the people who had paid it, under the terms and conditions, whatever they were, that were laid down in the arrangement. I believe that, while that method is a bit more cumbersome than the other way, it would not infringe any word or part of the Constitution at all, and therefore offers no difficulty.

There have been other suggestions made by various people from time to time. One is that an area should be handed over to the Commonwealth in order that it might treat it as a territory and that it would not be a State or part of a State and would not conflict with Section 99 of the Constitution. I am inclined to agree with the remarks in the leading article in the "Adelaide Advertiser," which said, in effect, that it would not be likely to achieve the right result. I for one will not be party to handing over anything that belongs to Western Australia, so I do not propose to enter into that argument at all. I leave that for somebody else, if he is anxious to do so, because, for one reason, I think other methods would achieve the desired result, and, for another, I consider that Western Australia should try to keep what it has and do its best with it, because I am certain that, in the run of years, it will succeed.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. A. F. WATTS: Before bringing my remarks to a close, I wish to say a few words about some questions I asked the Premier a couple of weeks ago. I referred to the delegation that waited on the Federal Treasurer in 1951 and sought the Government's views on the matter. In reply the Premier stated amongst other things that another deputation would be going to Canberra on the 18th of this month. His use of the phraseology "another deputation" naturally led me to believe that it would be similar to the previous delegation and therefore I asked him whether he would care to make it a delegation of a three-party character such as went to Canberra in 1951.

Either the Premier misunderstood the intention of my question in the first place or I was too pernickety in dissecting his answer, because, had he indicated to me that the other deputation to which he referred was one to persons not concerned with the present Government, I would not have asked the second series of questions. I would have readily agreed that it was a matter in which other parties could not expect to have any share, but his use of the words "another deputation" was justification for my thinking it would be a delegation similar in character to the first. I regret that the Premier is not in his seat at the moment to hear my explanation.

I have said sufficient to indicate not only what these proposals are, but also the reasons that actuated the committee and other people, including myself, who believe wholeheartedly in the proposals, and the fact that they should be dealt with solely on the merits and free from any consideration of constitutional validity. Obviously the merits of the proposals in themselves are very great. They provide for tax relief for all sections of the community; they provide an incentive for people to undertake work in the area, notwithstanding the difficulties that exist on account of climate, comparative isolation and lack of amenities.

They offer encouragement to capital to invest in developmental projects and require at least 40 per cent. of the return to be reinvested in further development if the tax exemption is not to be lost. By increasing development and population, much of the isolation, lack of amenities and other problems that exist would be removed or partly removed because, with a growing population, opportunities will increase for the provision of those improved conditions there as elsewhere. They would pave the way to a greater and more marked enterprise and development in the future.

The proposals cannot by any stretch of imagination be regarded as being likely to retard the growth and development of the areas north of the 26th parallel. On the other hand, the effect must be quite the contrary. Therefore I consider they are worth putting into effect even if only in an experimental way, but I suggest that in the light of the evidence before us, nobody would be justified in failing to make the experiment. When the Commonwealth receives—as I hope it will—the recommendation of this House, I believe that it cannot fail to give serious consideration to the proposals. The motion, if carried, will strengthen the efforts of the Northern Rehabilitation Committee and of all the others who are sincerely interested in endeavouring to do something that will change the existing state of affairs in that great portion of Western Australia.

Nobody can argue that a comparison may be drawn between the conditions and difficulties existing in that part and any other part of the State where settlement in any density exists. I consider that the conditions are so different that other approaches must be made to find a solution of the problem. There are two or three other parts of Australia that ought to be developed, but in the main the difficulties and problems of the areas with which we are now dealing are different from those in any other substantial section of this great continent.

Should the proposals be put into effect and prove their worth, they must ultimately produce beneficial results to the State and the Commonwealth, and particularly to the areas concerned. Subject to your permission, Mr. Speaker, I desire to make a slight amendment to my motion as it appears on the notice paper by deleting the word "decreased" in line 5 and inserting in lieu the word "low".

MR. SPEAKER: Before putting the motion, I would say that I have allowed the minor change in the wording requested by the hon. member because it alters neither the sense nor the intention of the motion, but I would not like that action to be taken as a precedent. There is a way of going about this that other members would be advised to adopt, and it cannot be taken that any amendment of any future motion would be allowed without all the formalities being observed. The question is that the motion, with the alteration requested, be agreed to.

MR. NORTON (Gascoyne) [7.41]: I wish to speak in support of the motion. This issue is of vital interest to all people in the North-West. To my way of thinking, and in the opinion of those living in that part of the State, taxation is one of their greatest burdens. Some incentive must be given to encourage people to go into that area and garner the wealth lying there waiting to be collected. Over the years the income from the North has been mainly gathered from the pastoral industry, through sheep and wool, and from the raising of cattle. Unfortunately, however, those industries have declined to a very great extent, and, in my opinion, that decline has been caused to a great degree by taxation. The hon. member has substituted for the word "decreased" the word "low" in describing the population of that area. I can quite appreciate the difficulty he experienced in framing his motion, because neither of those two words to my way of thinking meets the case properly.

Hon. A. F. Watts: That is so.

MR. NORTON: The population of the North has to all intents and purposes increased over the years with only the one era of decline mentioned by the hon. member. However, the figures that have been

given to me are not quite the same as those he submitted, though I think that both came from the same source.

Hon. A. F. Watts: At a slightly different date perhaps.

MR. NORTON: Yes. The figures I have were those at December, 1952, as estimated by the Government Statistician. According to the information I have received, the population at that date was 8,200, or approximately 500 in excess of the number quoted by the hon. member. Since 1947 there has been an increase in population of 2,000. That has taken place as a result of the activities of two companies that have gone into the North to develop the mineral resources. I refer to blue asbestos and the Koolan Island iron-ore deposits. Those two companies have established amenities and have thus attracted workers. Additional people will be induced to go there as amenities are increased.

In order to keep workers in the North, it is necessary to provide amenities that will be attractive to their wives. Because of that, I do not think the motion goes quite far enough. If taxation concessions are obtained there will be an increase in population and that will mean a greater burden for this State to carry. I would like to enlarge on that statement. Taxation reductions will lead to increased population, and if proper amenities are provided the wives and families of workers will join them. If this is to be achieved—and that is the way to develop the North—amenities must be provided ahead of population. It is not fair to ask any woman to take her family into a locality where there are no hospitals, water supplies, transport or educational facilities.

There are three modes of transport in the North—by road, sea and air. Speedy transportation is essential for women and children. It is necessary for them to be able to obtain supplies readily and easily and to get to centres where there are hospitals and educational facilities. At present transport in the North is very expensive, especially when a man wishes to take his wife and family for a holiday. Regarding the family unit as consisting of a man and his wife and two children under the age of 16, the cost of travelling by air from Carnarvon to Perth and return is £75. By boat, under a special concession, the return fare is only £32 10s. It will readily be seen, therefore, that with the development of the North the only feasible thing to do is to provide a better shipping service in conjunction with better roads of an all-weather type. This will provide for the products of industry to be conveyed from one place to another and will give the people an outlet for the results of their labour.

Aerodromes must also be established. This is a Federal matter and one that the Commonwealth Government is shirk-

ing. Recently strong representations were made to Mr. Anthony, the Minister for Civil Aviation, with respect to the establishment of an aerodrome at Shark Bay. His reply was that local governing authorities were responsible for putting down aerodromes and such aerodromes must be proved to be essential before the Department of Civil Aviation would take them over. This matter should be brought well and truly to the notice of the Federal Government when the motion is presented to it.

With regard to health in the North, I would point out that at present there is no dental service of any sort in that area. Good teeth are a first essential to good health, and at least two travelling dentists should be made available to people in the North-West. This would be a burden for the State to carry. Likewise the hospitals should be such that people can be transported to them and receive essential attention—not first aid but a full and complete service which would be possible with a regional hospital. The hospitals would be tied up with the Flying Doctor service which, in turn, is tied up with aerodromes. Members can see that the development of the North-West—particularly if it takes place quickly, as I hope—will increase the burden on the State Government.

Education is of paramount importance to the family man. The pastoral industry relies on the married man as the manager or overseer. If he has a young family he can stay on the station only until such time as the children reach school age. We have quite a good correspondence system but it goes only so far, and to get a fuller education it is necessary for the children to go to school. I point out that it is impossible for the average man on a good salary in the North-West, if he is not stationed at a centre such as Carnarvon where there is a school, to educate his children.

His salary would not be sufficient to meet the cost of sending a child to Perth or Geraldton to be educated. The expense involved in sending a child to a public school in Perth is not much short of £400. This would include the education, board allowance and air fares during the year, but not the extra clothing and other essentials that would be required. So it can be seen that in these circumstances it would be impossible for the men with young families to stay in the outback to develop and manage the stations, which is so essential to the good of the North.

Mr. Hutchinson: What is the highest class that children can attend at Carnarvon?

Mr. NORTON: They can take their Junior there.

Mr. Hutchinson: You want a five-year high school there.

Mr. NORTON: Yes, but what we actually want for the outback people is a hostel so that those with young families can send them into Carnarvon for their education. They would then be able to send their children, at a reasonable cost, to a five-year high school so that the children could get the education which is their due. This would also tend to keep the younger people in the North where they would be able to obtain a commercial education, or education in domestic science, woodcraft or whatever else they desired, and so supply the needs of the North in those types of work. At present the North depends mainly on the south for clerks, typists and so on.

Water supplies are essential to home life, and water is the essence of life in the North, where we have a hot climate and use considerable quantities. If water is not available at a reasonable rate and in adequate supplies, we feel that the place is not worth living in. Water supplies can be found and developed, and they should be declared a national asset, so that the people in the North can have domestic water at city rates. Water is one of the most important factors in developing the North, no matter what industry we take.

Let us deal with agriculture. If the rivers were harnessed, we could develop many more acres of land and so increase the population considerably. At the present time, at Carnarvon there are about 718 acres under cultivation, which includes bananas, beans, peanuts, peas, tomatoes, etc. The area could be greatly increased if more water were available. The Gascoyne River is capable of being developed in this way. There is a spot 18 miles north of the plantations where 12,000,000,000 gallons of water could be impounded, and this would be sufficient, allowing for 50 per cent. evaporation, to last the agricultural industry for two years.

There is also a subterranean water supply which could be drawn upon at a later date. There is no doubt that the amount of water impounded would not be required to last the industry two years, so it would permit of a greater acreage being developed. If the mining and other industries are to be developed as they should be, the onus of finding adequate water supplies for them would to a great extent fall on the Government. Again we would find that a considerable burden would be placed on the State Government.

To give members some idea of what has been lost over the years, I draw attention to the figures I quoted in connection with the wool industry, which has decreased substantially since 1934. An amount of income has been lost to the nation by the decline in wool, whether it be caused by taxation or otherwise, and I believe taxation is greatly responsible for it. Members will realise that a reduc-

tion in taxation would increase the Australian income very greatly. Last year—1952—the wool production for the Gascoyne electorate was 9,779,069lb., whereas in 1934 it was 17,255,549lb. Therefore the Gascoyne electorate in 1952, was down by 7,476,480lb. in respect of greasy wool.

There was also a decline in the sheep population of 848,061. It will be noted that over that period the weight of wool per fleece did not decline, but remained steady in each of the different areas in respect of which the figures were taken. The average weight per fleece is 9lb. of greasy wool. This indicates that the decline that has come about in the wool industry is not altogether due to drought or seasonal conditions.

Pearling has also decreased, due largely to the war, but the industry is not picking up as it should, and that is definitely due to the incidence of taxation. If taxation exemption were given to the pearling industry there would be an immediate increase in the number of vessels operating from Broome. I understand that at present the owners of the pearling fleet are allowed only 7 per cent. depreciation on their luggers, while in the mining and agricultural industries in the North-West 40 per cent. depreciation on machinery and vehicles is allowable in the first year with from 10 to 15 per cent. annually after that.

Even this minor concession to the Broome pearling industry would more than double the output of shell from northern waters, so members can imagine what would happen if the industry were given a far greater relief from taxation. The granting of a total taxation exemption to the wage earner and a 40 per cent. exemption to investors providing the profits were put back into industry for development, would, in the North, ensure the development of that part of the State to somewhere near the limits that we would then expect of it. Such a course, however, would increase the burden on the State and I therefore move an amendment—

That in line 19 of the motion after the word "them" the words "and the House also considers that the Commonwealth Government should actively co-operate with the State Government in making available the large sums of money required to provide, in that part of Western Australia, better transport, education, health, water and other essential needs and services" be inserted.

MR. RHATIGAN (Kimberley—on amendment) [8.5]: Undoubtedly taxation concessions or the complete abolition of taxation north of the 26th parallel would be of untold value in populating the North, as it would have the effect of increasing

the population of that area within a short space of time. Of course, the investment of capital there would mean an increase in the number of workers who, with the provision of the necessary amenities, would soon desire to have their wives and families with them. The zoning system in the North was an admission by the Commonwealth Government that that area is worthy of some consideration. At the time when that small concession was granted, it was of some advantage but, due to altered circumstances and the increasingly high cost of living in the North, it is of very little benefit now to people living in that area.

In addition to the abolition of taxation in the North-West, people there would need to be provided with amenities at least comparable with those available to city dwellers if we are to attract any large number of newcomers to the area. I refer to amenities such as hospitals, schools and so on, the expense of which would naturally fall to a great extent on the State. For that reason we must ask the Commonwealth Government for some special consideration to make possible the provision of amenities.

The addition of another vessel to the North-West service is essential now, even without any increase in the population of the North. The jetties in my electorate are in bad condition and require the expenditure of some thousands of pounds to put them in order. Any increase in population up there would mean further expenditure in that direction and it is up to the Commonwealth Government to meet the State half-way in that regard.

The member for Stirling said this afternoon that the number of cattle in the North had decreased. That is so, and one of the factors responsible for the decrease is that a few years ago many cattle were transferred from the East Kimberleys to the Northern Territory. They were purchased by Northern Territory and Queensland buyers and were sold and moved out of Western Australia—both breeders and bullocks. That was one reason for the decline in the number of cattle, and at that time beasts sold in the Northern Territory were tax free.

That concession has now been done away with but it was, at that time, one reason why cattle purchased in this State were not killed and treated here but were sold and taken into the tax free area before being disposed of. The decline in our number of cattle, however, has been largely due to the mismanagement of the larger companies. As I mentioned while speaking to the debate on the Address-in-reply, there will be a further decrease in stock numbers in the North due to the present drought, over which we have no control. The case for the abolition of taxation was ably put forward by the member for Stirling.

Mr. SPEAKER: Order! I would advise the hon. member that he should be speaking to the amendment moved by the member for Gascoyne and should confine himself to that subject. If he wishes to deal with the whole subject matter of the motion he will have opportunity to do that later on.

Mr. RHATIGAN: I am sorry. I have pleasure in supporting the amendment.

On motion by Hon. Sir Ross McLarty, debate adjourned.

MOTION—PENSIONS.

As to Inadequacy of Increase.

Mr. BRADY (Guildford-Midland)
[8.10]: I move—

That in the opinion of this House, the increase of 2s. 6d. in the age and widows' pensions, as announced in the Federal Budget, is totally inadequate and the Premier of this State be requested to convey this opinion to the Federal Government.

In moving this motion I wish to state that I do not want members to treat it in a party-political fashion. I cannot imagine anybody in this Assembly wishing to oppose it and, in fact, I think all members would desire to support it. One could speak for an hour on one's personal views on the subject and could quote numerous documents and articles that appeared in the Press, both before and after the increase of 2s. 6d. was announced. I intend simply to move the motion and, if there is any debate on it, I shall reserve the right to reply at a later stage.

HON. SIR ROSS McLARTY (Murray)
[8.11]: The member for Guildford-Midland has indicated that he does not wish this motion to be considered from a party-political angle, but he believes that the increase granted to pensioners as a result of the recent Federal Budget is totally inadequate to meet the present-day needs of pensioners. I think we all have a sympathetic outlook towards the pensioner. I do not think any of us will deny that the cost of living has increased and has inflicted hardship on people in the lower income group. However, while we may wish to help those on lower incomes, I cannot agree to a motion such as the hon. member has moved.

If a motion dealing solely with the activities of a State Parliament were introduced in the Federal House, I am sure the Government of the day would offer strong objection to it. A Government that took such an attitude would, to my way of thinking, be taking the correct one and I cannot see that this motion will serve any useful purpose. The Budget has already been introduced and any motion that may be carried here will not have any effect. I do not see that the Federal Treasurer could alter the Budget if a motion such as this were carried in this

House. Of course, the Budget could be altered if a motion to reduce it by a certain sum was carried in the Federal Parliament. The question of pensions is one which concerns the Commonwealth authorities, and during the next few weeks this question will be thoroughly debated from every possible angle by representatives from all States in both Houses of the Federal Parliament.

Now I feel that I must say something about this pension increase. I am sure that a large section of the people do not realise the advantages that will accrue to pensioners generally as a result of the recently announced increases. I understand that a large number of pensioners have already been agreeably surprised by the increases that they have received or will receive in the near future. I think I am justified in setting out the proposals as regards the increases. We know that pensions will now be £3 10s. a week for a single person, or £7 a week for a married couple, and the sum that a pensioner is permitted to earn has been increased from 30s. to £2 a week. Therefore, a married pensioner may now have an income of £11 a week; as members know, that is free of tax.

Hon. J. B. Sleeman: That is for anyone who is able to work.

Hon. Sir ROSS McLARTY: I will come to the others in a few moments. The maximum permissible weekly income, inclusive of pension, for a single pensioner will be increased from £4 17s. 6d. to £5 10s. a week, and of course, it will be free of tax. For a married couple, where either the husband or the wife is a pensioner and the other has an income, the maximum allowable income, without a reduction in pension, will be increased from £3 to £5 per week. As members know, pensioners may own their own homes; this has no effect on their pensions and has been the case ever since the pensions scheme was introduced.

Hon. J. B. Sleeman: At one time, a pensioner had to sign his house over to the Commonwealth Government.

Hon. Sir ROSS McLARTY: We are all glad that that state of affairs no longer exists. Under the new provisions, pensioners may have £319 in the bank, or in money, and they may obtain free medical and pharmaceutical services which are provided under the National Welfare Fund. It is estimated that these services will cost £2,885,000 per annum, and will be worth at least 5s. a week to each pensioner. Also, pensioners are entitled to other privileges, which we do not begrudge them. For instance, wireless licenses are issued to them at reduced rates and, as all members know, a wireless is a necessity in every home today. Also, those members who have been closely associated with local government know that pensioners are not charged local government rates.

The Minister for Justice: The rates are capitalised.

Hon. Sir ROSS McLARTY: That is so. They are capitalised against the estate, and those rates are not paid in the pensioner's lifetime. Personally, I cannot see any objection to that principle. The Commonwealth Government proposes to increase the value of property which a pensioner may own without reduction of pension from £100 to £150, and the limit on property owned will be increased by £250 to £1,250 for a single person and by £500 to £2,500 for a married couple. The cost of these additional concessions will be £570,000 per annum.

In Australia today, there are 912,000 people in what is termed the aged group, that is 60 years in the case of a woman and 65 years in the case of men. Of this number 375,000, or 41 per cent., are receiving pensions. In a statement by the Commonwealth Minister for Social Services, Hon. Athol Townley, I noticed he had this to say—

Very few people realise what an aged couple drawing the pension may have. They may, of course, own their own home. When our budget proposals become effective, they will be able to have an income of £4 a week, money in the bank or other property to the value of £319, life insurance policies with a surrender value up to £750 for each party, and still be eligible for full pensions totalling £7 per week. This means a couple will be able to receive £11 a week between them and own the amount of property I have already mentioned. They can have, too, the free medical and pharmaceutical services provided for pensioners. They can obtain their wireless license at a reduced rate. If their property exceeds £319 but does not exceed £2,500, or if their weekly income is under £11, they may receive pensions at a reduced rate.

The Commonwealth, during the last four years, has had to provide an additional £30,000,000 for the payment of pension increases. In considering the commitments of the Commonwealth Government generally, some of which are rising, that is not an inconsiderable sum. Of course, I agree, as I am sure all members do, that the provision of this sum has been necessary. As a result of the widening of the provisions of the Invalid and Old-age Pensions Act, it is estimated that an additional 100,000 people will be eligible for full pensions or part pensions.

I think we should remember that by extending those provisions it is a step towards the abolition of the means test which many of us would be pleased to see wiped out. Some of us are already saying, "Why do we not pay pensions without a means test immediately?" To do that I

understand it would cost an additional £100,000,000. That is a staggering sum and before such a proposal could be put into effect we would have to know from what source that £100,000,000 would come. It would, of course, have to be obtained from industry generally and such an impost would be heavy indeed.

I mention these few points to give members an idea of what this Budget has done. There were, I believe, 290,000 aged pensioners drawing a full pension and 90,000 drawing a part pension before this Budget was introduced. Consequential upon the introduction of it the Minister for Social Services estimates that over 120,000 aged, invalid and widowed pensioners will receive an increase in their pensions. I want members to note particularly what he says. It is this—

Consequential on Budget, Minister estimates over 120,000 aged, invalid and widowed pensioners will receive increases between 12s. 6d. and 32s. 6d. and additional 100,000 persons now debarred will come into pensions field.

I am sure that news will be a very pleasant surprise to many thousands of pensioners and will prove that the opinion held by many members of the public that the only rise a pensioner will receive will be 2s. 6d. a week is not factual. I think, too, that these figures are worth quoting—

The cost of the national welfare has increased from £165.5 million in 1952-53 to an estimated amount of £184 million in 1953-54, or an increase of £18½ million in the one year.

Since the present Commonwealth Government came into office, I think it is fair to say it has increased the rate of pensions every time it has brought its Budget down.

In saying that I appreciate the point made by the member for Guildford-Midland when he stated that he was not debating this question from a party point of view. I would point out, too, that no previous Commonwealth Government increased the pension rate as has the present one. Again, in 1949, the maximum old-age pension rate was £2 2s. 6d. per week. The "C" series price index number for the September quarter of 1949 was 1,428. The latest price index number is 2,283. As members know, these price indices are used by the Arbitration Court so, applying the ratio between the two index numbers, the 1949 pension of £2 2s. 6d. would now be equal to £3 8s. 3d. We find that it is actually £3 10s. or 1s. 9d. over the fixed price index figure. That is an important point and one which should not be forgotten.

The hon. member who moved the motion has done so because he means well. Members have been able to read all about the question and have heard public opinion on it and, therefore, they should be able to formulate their own ideas. In the opinion

of the hon. member the actual payments that are being made are insufficient to meet the needs of pensioners. I would also point out that when introducing the Budget and before doing so, consideration was given to the effect it would have on the Australian economy generally. During the past 12 months or more there has been a tapering down in the cost of living.

The present Budget will grant relief in certain directions. For example, the Commonwealth authorities believe that the reduction of sales tax, entertainment tax and other forms of taxation will have the effect of reducing the cost of living. In that general decrease in the cost of living, all pensioners will share. I think I am justified in referring to the Budget because it is from that source that pensions or increases in pensions are derived. In compiling the Budget the Federal Treasurer has to take an overall look at the whole economic position in Australia. We have heard many times in this Parliament strong expressions that the Commonwealth should do more in this direction, that direction and the other direction; that more money should be provided for the States for education, for instance, and so on. I could go on and enumerate many other matters where the Commonwealth is asked to find additional revenue.

Then again there has also been a tremendous clamour from the people for a reduction in taxation, saying that it destroys incentive. This clamour has come not only from the business section; it has come from the workers of the country, too, and I am sure members of this House have heard those workers state on a number of occasions that there was no incentive for them to work overtime because they had to pay most of it away in taxation.

Accordingly I can appreciate the difficulties of the Federal Treasurer in budgeting at a time like this. I think he has taken an overall look at the general position and tried to do something for all sections of the community. I have no doubt that if the circumstances are such that it is considered that pensioners are suffering unduly because of the Budget proposals—

Mr. May: And cost of living.

Hon. Sir ROSS McLARTY: —yes, and the cost of living, and other factors which may be taken into consideration—the Commonwealth Government would be prepared to have another look at the pensions position generally.

Mr. May: You mean you are not happy about the half-crown rise?

Hon. L. Thorn: Do not let the member for Collie distract you.

Mr. J. Hegney: They will consider it early next year before the election!

Hon. Sir ROSS McLARTY: I am not saying whether I am happy about this or not. When I opened my remarks I said that I had a sympathetic outlook towards the position of pensioners, and I also said that their actual position and the benefits they will derive from this Budget are not fully understood. I think that is so. Accordingly, I hope this motion will not be agreed to. I feel it is a bad principle for us to carry resolutions in this House dealing with matters that are entirely within the sphere of another Government. If that sort of procedure were permitted to develop, I can imagine that it would have a serious effect upon Federation and upon the Parliaments of Australia as a whole. We have to take the view, I think, that the Commonwealth Government, which is responsible for social services, is doing its best according to its own lights. The Government was put there by the people and if they do not approve what it is doing they have their remedy.

I do not intend to go in for any forecasts as to what may happen in the future. So in view of the short explanation given by the member for Guildford-Midland, I feel there are no charges made by him to which I can reply. In the circumstances, I do not think it is any use my continuing speaking on the matter. I do hope, however, for the reasons I have given, and because of the futility of this motion, that the House will not agree to it.

MR. McCULLOCH (Hannans) [8.35]: I am a little surprised at the Leader of the Opposition. It is only a few weeks ago, nay, only a few days ago, since we heard him here in this Chamber pleading the desperate position of pensioners in the metropolitan area. Tonight we hear him talking about this £3 10s. and the £2 a week permissible income, referring to how much the pensioners had in the bank, etc. It is just too disgusting to listen to it. The amount of 2s. 6d. which has been offered to pensioners is an absolute insult to them. A report appeared in "The West Australian" today concerning a speech made by the Minister for Social Services, Mr. Townley. Strangely enough, the Premier did quote an extract from some paper.

Hon. Sir Ross McLarty: Which Premier was that?

Mr. McCULLOCH: But there are a number of inaccuracies.

Hon. Sir Ross McLarty: Which Premier was that?

Mr. McCULLOCH: The Leader of the Opposition made a statement about the pensioners and how much they should have.

Hon. Sir Ross McLarty: Oh, you mean the future Premier!

Mr. McCULLOCH: The hon. member is like a lot of others in this town who try to lead the people astray. Mr. Townley and the editor of "The West Australian" are trying to do the same thing.

Mr. Oldfield: I know somebody who led them astray last February.

Mr. McCULLOCH: The hon. member should look after affairs concerning the Hotel Raffles. I will quote an extract from the report in today's paper. It is as follows:—

Replying to the Government, the Minister for Social Services (Mr. Townley) said that Dr. Evatt had floundered for one and a half hours in a hazy maze.

Mr. Manning: Hear, hear!

Mr. McCULLOCH: He continued—

The present Government had increased pensions in the last four years by 27s. 6d. a week or 5s. 6d. a week more than all the increases the Labour Government had ever given.

There is no mention there of the rise in the cost of living, etc.

Hon. L. Thorn: The increase in freights will do a lot to help!

Mr. McCULLOCH: The report continues—

The Menzies Government was the only Government in the history of the Commonwealth which had increased pensions with every budget brought down.

Mr. Townley said that the Budget had placed the Opposition in utter confusion.

There is no doubt about Mr. Townley! By the time I have finished reading this report, members will see in just what confusion Mr. Townley has placed the people in the metropolitan area and in Western Australia as a whole. To continue with the report—

It was the finest Budget ever introduced in the House. The Government had realised in the past few years the need of pensioners to meet rising prices.

Just fancy that—2s. 6d. in the last three years, to meet the rise in the cost of living in Western Australia!

Mr. Brady: It would hardly find them their electric light rate.

Mr. McCULLOCH: It would hardly find them a fish supper, let alone provide them with electric light. To continue—

It had not hesitated to call on taxpayers to find revenue totalling more than £30,000,000 in the last four years.

Provisions of the Act would bring possibly another 100,000 people into the pensions field, Mr. Townley claimed.

An aged couple would be able—

This is the part to which I take particular exception because I know it is wrong—

An aged couple would be able to own their own home.

I agree with that.

£750 in surrender value of insurance.

That is correct also.

£319 in the bank.

That is also correct.

Mr. Oldfield: You are now starting to agree with everything.

Mr. McCULLOCH: To continue—

With free doctor and medicine, and with their pension, an income of £11 a week.

This is what is facing them.

This same couple could still have other property up to the value of £2,500.

What is the use of that? When they have £2,500, they are disqualified. When they get £2,500, they do not receive a brass razoo. Thus the statement in "The West Australian" has been definitely misleading for pensioners in this State.

I have no objection to offer to the other portion of the statement, but if a newspaper sets out to publish information, it should give the truth. The statement would certainly lead pensioners to believe that they might own a house, a motor car or other assets up to a value of £2,500 and the pension would be unaffected. That is quite wrong. As soon as a pensioner reached £2,500, his pension would go. As the amount comes down, so the pensioner would be paid a pension pro rata. For every £10 over £100, the pensioner would lose 4½d. A married couple in receipt of £219 to £450 would lose 9d. in the £ and beyond that 1s. 6d. for every complete £20 until the maximum was reached.

Mention was made by the Leader of the Opposition of the finance involved. I cannot see that a great amount of finance has been involved to date. According to the statistics for the year 1950-51, the latest figures contained in the "Year Book" for 1953, the total was £49,520,000 for invalid and old-age pensions. Of course there are other pensions as well as child endowment being provided by the Commonwealth Government, but on the figures I have quoted, I can come to no conclusion other than that the aged and invalid pensioners have been subjected to a great injustice.

As regards the statement about the increase in the rate of pension, this, too, is inaccurate. When the Labour Party went out of office in 1949, the rate was £2 10s. per week and the permissible income of a pensioner was £1 10s. per week. Those figures operated from 1949 to 1953. How many pensioners—men after reaching the age of 65 and women after reaching the age of 60—are able to earn £2 a week? Where is the boss that would

employ them? Nobody wants their services. True, a man might get a bit of gardening to do and earn a few shillings in that way.

Hon. Dame Florence Cardell-Oliver: Men are asking £2 per day to do a bit of gardening.

Hon. Sir Ross McLarty: A large number of pensioners are only too glad to earn something and readily accept employment.

Mr. McCULLOCH: There are 24,782 pensioners and the ratio of male to female has been about 36 and 64 per cent. respectively. That ratio has been fairly constant over the last 20 years throughout Australia and applies approximately to the number of male and female pensioners in this State. The difference here is only slight. All this talk about a pensioner having £319 in the bank is absurd. I have been working for the last 30 years and I have not £319 in the bank.

Hon. L. Thorn: You have something in a jam tin, though.

Mr. McCULLOCH: I have nothing in a jam tin. Talk about a pensioner having £319 in the bank! I maintain that all these aged pensioners have not £319; nor are they able to earn the permissible income of £2 a week.

Mr. Sewell: Nor do they own a house.

Mr. McCULLOCH: Many of them have not a house. People have paid into a superannuation fund for years only to find that, when they retired and were eligible to draw £3 a week from the fund, 30s. was deducted from the pension because the £3 was above the permissible income of 30s. a week for a single person.

Mr. Oldfield: A man and his wife were allowed to earn £4 a week between them.

Mr. McCULLOCH: You shut up!

Mr. SPEAKER: Order!

Mr. McCULLOCH: I have filled in hundreds of claims for pensioners and I know that such men, after having worked in the mines for a number of years, have succeeded in saving very little money. Some of them even find it difficult to raise the bus fare to travel from Boulder to Kalgoorlie. As to the statement that a pensioner-couple might have £11 a week, I am paying for my home which may or may not be free of debt when I reach the age of 65. I have been working all my life and would be prepared to show my bank book to prove that I have not one-half of £100 to my credit and, as I have stated, I am still paying off the principal on my home.

Of course there might be exceptional cases where a pensioned couple can get £11 a week, but those cases would be exceedingly few. If that were the experience in every case, I would probably agree with the figure of £11 a week for a married couple, provided that they owned their home. In

prevailing circumstances, however, we find that some people are paying rent to the amount of £4 a week. Some say that a pensioner ought to have a home of his own. I have not a home of my own yet, and I am not a gambler or drunkard such as the member for Toodyay referred to.

Hon. L. Thorn: I regard that remark as offensive, Mr. Speaker, and ask that it be withdrawn. I am no gambler or drunkard.

Mr. SPEAKER: I do not think the member for Toodyay heard what the hon. member said. Will the hon. member repeat his remark? My impression is that he did not refer to the member for Toodyay.

Hon. L. Thorn: He did.

Mr. SPEAKER: Order! The hon. member said that he was not a gambler or a drunkard such as the member for Toodyay had referred to.

Hon. L. Thorn: I did not refer to a drunkard, anyhow.

Hon. J. B. Sleeman: Then why don't you speak plainly?

Mr. SPEAKER: Order! The member for Hannans will proceed.

Mr. McCULLOCH: I support the motion. It is absolutely impossible at present-day prices for an individual who has to pay rent for a house or for a room to live on £3 10s. a week. It would have been better to say, "We are sorry, boys, but we cannot give you anything." To give these people 2s 6d. is definitely an insult. We know that the finances of the Commonwealth are supposed to be in a bad condition nevertheless it was possible to give £2,000,000 to build up Korea, only to have it blown down again. That money can be provided and nothing more is said about it, but when it comes to providing £2,000,000 for increased pensions, that is not possible owing to lack of finance. I have very much pleasure in supporting the motion, and I hope it will be carried.

MR. COURT (Nedlands) [8.52]: I would not like to see the motion carried because, regardless of the hon. member's desire that it be not taken as a party political issue, I feel that in its present form it can do nothing more than add fuel to the fire of propaganda that has already been levelled against the Commonwealth Government in respect of its announcements, through the Federal Budget, regarding pensions.

Mr. May: Do you not think the Government deserves it?

Mr. COURT: I know some of the hon. member's activities and I realise his genuine interest in pensioners, but I am afraid that the motion will be construed as a lot more of the utterances regarding pensions have been construed. We find

that, wittingly or unwittingly, pensioners are being used as a vehicle for certain political propaganda.

Hon. L. Thorn: Too right they are!

Mr. COURT: I have asked myself whether some of the critics of the Commonwealth Government are really sincere in their criticism or whether they are just shedding some crocodile tears as far as pensioners are concerned. I say quite frankly that they could spend their time better in getting out and about and making some real contribution to the well-being of these people. The material things of life cannot be ignored, but, from my considerable experience with the aged and sick, I feel that their greatest need today is care, attention and affection, something which unfortunately many people overlook.

In the course of my activities, moving amongst the aged and sick, I find there are many who feel that once they take these people through the portals of a home such as "Sunset" or "Mt. Henry" and arrange the necessary social service payments, they have done their duty to those persons. Unfortunately, we also find that there are members of families who feel that having taken a parent or a relative to such an institution, they have discharged their responsibilities. To my way of thinking, that is far from the truth. What these people need for their well-being more than anything else, subject, of course, to their having the minimum material things of life, is more care and attention from their relatives, neighbours and friends.

I think that the whole problem of pensions should be viewed objectively and with due regard for the economy of the country. There will always be cases of anomaly and hardship no matter what we do in respect of social services, and I submit that they call for local good neighbourliness and help. It is part of the community's duty to seek out these particular cases and adjust the anomalies and hardships and not call always on the Government of the day to give relief. The approach, as far as the country's contribution to the welfare of these people is concerned, should be on the basis of what is fair and reasonable, with due regard to the nation's capacity to pay; and the encouragement of thrift, with due regard to the responsibility of children to their parents and of neighbours to their friends. If the critics of the pension announcement prefaced their remarks or enlarged on them by explaining the concessions that have been progressively made, I would feel happier about joining with them in a criticism of the amount that has been given in the actual straight-out increase in pensions.

But, alas, all we hear from time to time is a reference to this 2s. 6d.! Very little, if any, reference is made to the effect on

the economy of the country of meeting increasing social service contributions, and very little reference is made to the benefits—and the very real benefits—that have been given to the people who qualify for social services, and particularly for pensions. Very little reference has been made to the increase in the permissible income and the increase in permissible assets, and I do respectfully suggest to the member for Hannans that those increases are very important and, in fact, are vital to a great number of people.

Mr. McCulloch: I mentioned them, did I not?

Mr. May: What percentage of pensioners would that cover?

Mr. COURT: We are reliably informed that, as a result of the concessions made, at least 120,000 aged, sick and widowed persons will receive increased benefits ranging from 12s. 6d. to 32s. 6d.

Mr. McCulloch: But is that correct?

Mr. COURT: In addition, the relief that has been granted in the conditions necessary to qualify for a pension has permitted the entry of at least another 100,000 people into the pension field. I submit it is better for the Government of the day progressively to remove the means test in easy stages, such as it has been endeavouring to do in recent years, and increase the field of people who are directly affected and directly benefited by the pensions scheme. Of my own certain knowledge there are many married couples unable to work but in receipt of income, and they have been penalised and punished in effect in having a reduction made in their pensions because of income received from other sources. In many instances that income has been the result of great thrift and good citizenship during their earlier days.

If the critics of the Commonwealth Government genuinely believe in the abolition of the means test, as I think they do, they must accept the fact that pensions cannot be increased as a mere whim of the Federal Treasurer seeking to woo a few electors. In the announcements made by the Commonwealth Treasurer, he has shown a degree of courage. He could have sought cheap popularity at the expense of the taxpayers by saying, "We will make this so many shillings more." I feel he has approached the whole economy problem on a sound basis.

I cannot agree with the member for Hannans that the figures he has quoted as pension rises since 1950 are correct, because the figures I obtained show a different movement. In 1950—if my memory serves me correctly that was after the life of the Chifley Government—an increase of 7s. 6d. was granted, taking the pension from £2 2s. 6d. to £2 10s. In 1951, an increase of 10s. was granted, increasing the amount to £3. In 1952, there was an increase of 7s. 6d., taking the total to

£3 7s. 6d., and in 1953, according to the announcement that has just been made, an increase of 2s. 6d. has been granted, bringing the total to £3 10s.

Mr. McCulloch: You do not expect to get away with that: In 1950, it was £2 10s., and that was when the adjustment was made.

Mr. COURT: I have submitted the figures which have been made available to me. If the member for Hannans can show that they are incorrect, I shall be prepared to alter my submission.

The next point on which I am at variance with the critics of the Commonwealth Government is where they have made much play on the fact that, in their opinion, taxation could have been reduced much more than it has been. At the same time they say that more money could have been made available for developmental work. In my opinion, we cannot have the two together. We either reduce our expenditure or increase our income. The Government of the day saw fit to reduce taxation. It continued a certain level of advances for works, and it then decided that it could make a further contribution to the social services of the country, particularly to pensioners.

The member for Hannans was critical of the fact that if a person had property worth £2,500, he ceased to qualify for a pension. I am surprised that he joined issue on behalf of those particular people, because my main concern is for those at the other end of the scale—the ones who have not a home and £2,500 worth of assets. Had he done battle on their behalf, I could more clearly have understood what he was trying to achieve. Another point made by the Leader of the Opposition in the Commonwealth Parliament is that the pension should have been tied to the basic wage, or, I think more correctly he said, to the "C" series index. My information is that if it had been tied to that index, there would be a reduction of something over 1s. from the figure of 70s. that has been granted, and this is ignoring the fact that considerable advances have been made in lifting the means test by increasing the permissible income and the amount of assets that a pensioner can have without being penalised in his pension.

Furthermore, I remind some of the critics that the reason why the pension is not tied to the increase is because in 1944 the present Leader of the Opposition in the Commonwealth Parliament brought down legislation, through the then Government—the late John Curtin was Prime Minister at the time, I think—specifically to take the pension away from the index.

Mr. J. Hegney: Do you know why? It was because it would have meant a fall in the pension.

Mr. COURT: Subsequent to that, there was ample opportunity for the hon. gentleman to have had the pension tied to the index, had he so desired, but at no stage was that done.

Mr. McCulloch: It was tied then, and taken off, all in the one year.

Mr. COURT: I agree it was taken off to avoid the pensioners being penalised at that time. I realise that they were given a retrospective adjustment of their pension for a short period to reimburse them for the time when the legislation was not operative.

Mr. McCulloch: It amounted to 1s. 6d.

Mr. COURT: There was adequate opportunity for the Government in office at the time to reinstate the provision which tied the pension to the index, but it was not done. As it happens, the pensioners have not suffered as a result because the increases they have been granted are in excess of what they would have received by a strict accounting if the pension had been tied to the index. In addition, they have gained the benefit of these considerable advances towards the abolition of the means test.

It is my hope that successive Governments in the Federal sphere, no matter what their political colour may be, will progressively move towards the abolition of the means test. It cannot be done overnight, because the economy of Australia could not afford it, but if it is done progressively it will be in the interests of all. Nothing grieves me more than seeing people who, through their thrift, are penalised respecting their pensions in the late years of their lives. I find that many working people have made a great contribution to this country—in my opinion, they are the salt of the earth—and have, through thrift and a degree of self-denial, set aside enough money to purchase a home for themselves so as to be independent in their old age, and have endeavoured to secure a few assets so that they will have a few luxuries as well. The move by the Commonwealth Government to improve their lot still further, to my way of thinking, overshadows the amount that has been granted by way of a general increase. I hope the motion will not be passed in its present form because I do not think it will serve any good purpose as far as pensioners are concerned.

MR. JOHNSON (Leederville) [9.10]: I am not surprised that the Opposition have taken it upon themselves to oppose this motion as they have the unpleasant duty of trying to protect an inefficient and ineffective Government in the Federal sphere and must, therefore, adopt their present attitude. Had they been a little more human and supported the motion, as moved, they would not have exposed themselves in such a poor light.

We have the spectacle of the Leader of the Opposition who, I understand, is not likely to be eligible for a pension, being most sympathetic towards the average pensioner. We have the member for Nedlands speaking of the average pensioner—a mythical person. To people who draw these pensions, the pensions are very real. The people who need pensions most are not those who have received a small benefit by the extension of the coverage of the means test. No one begrudges those persons that improvement which is well warranted and which should be increased as the years go by.

I hope all members in this House agree that the means test should eventually be abolished. We realise that that cannot be done now or all at once, but it must be accomplished gradually. The benefits that have been given are welcome, but the person to whom the 2s. 6d. increase really matters is the basic pensioner. He is not a mythical or average person, but the pensioner who is right on bedrock. There are in this city pensioners who do not own their own homes, who have not £300 in the bank, who do not have an income of £11 a week or anything but the pension, and it is of those people that we should think.

Let us talk about the pensioners who need the pension and not those to whom it supplies a minor luxury here and there. Of what use is this 2s. 6d. per week to the basic pensioner? In this regard I would emphasise particularly the male of the species because for reasons due to their training and experience female pensioners are better equipped to battle with the problems of housekeeping on a very low income such as the £3 7s. 6d. they now receive or the £3 10s. per week they are soon to get. It is little enough indeed on which to live when paying £2 a week for a room in which to sleep. In those circumstances the balance available to the pensioner is very small and at current prices it is practically impossible for him or her to provide three meals a day out of that sum.

There are pensioners in Perth today paying £2 per week for a room. Some pay less—perhaps 30s. per week—for a bed in a room or even on a verandah exposed to the weather, and they are the ones who must be considered. The average pensioner, who appeals to those folk that have a love for figures, is purely a mythical person who has no feelings as he is just an average, but the basic pensioner has feelings and some pride and is an entirely different person. He, possibly, is one of the unfortunates who is not able to get into "Sunset" or the Mt. Henry home.

There are about 600 waiting to get into "Sunset" and 500 on the waiting list for the Mt. Henry home. Many of them have nothing but their pensions and it is to them that our sympathy is directed. Were it not so tragic, I might find it amusing

to hear raised the plea that the Commonwealth cannot afford to be more liberal. The Commonwealth could afford many things as it has granted taxation remissions to the extent of £118,000,000 which would have paid the pensioners at least another 2s. 6d. and, I imagine, another 10s. a week.

The economy of the nation would not have suffered had those taxation remissions not been made. However, such remissions are appreciated by those who receive them and it was the granting of them that precluded the payment of a greater sum to pensioners. What about the remissions of taxation on unearned income? One can hardly claim that there is any virtue in income of that nature.

There is some virtue in an earned income—no matter how high—and some practical value, but why remissions of tax on unearned incomes when there are pensioners—human beings—living below subsistence level? The granting of such remissions as that is not a moral action. Unearned incomes should pay a high rate of taxation, and I am amazed that there has not been a great outcry at the remissions granted in that field.

Hon. Sir Ross McLarty: By "unearned incomes," do you mean investments?

Mr. JOHNSON: Yes.

Hon. Sir Ross McLarty: Are there not hundreds of people who have saved their money and put it into such investments in order to provide a little for their old age.

Mr. JOHNSON: Yes, but before the member for Murray takes that line of thought he should examine the figures. I am sorry I have not them with me, but I would point out that the unearned incomes, which are the subject of returns by the Commonwealth Statistician, lie on the average above the £500 per year mark and are not the result of little bits of saving. They are big incomes. The highest single group—from memory—is the over £2,000 per annum class, on the figures for 1949-50, and they are probably a good deal higher than that now. I feel that the ex-Premier has not given any great thought to the morality of that particular subject.

Hon. Sir Ross McLarty: I think there is £900,000,000 in the Commonwealth Savings Bank, upon which people are drawing interest and trying to save.

Mr. JOHNSON: The average balance in the Commonwealth Savings Bank is admittedly small and well saved, and the total has not now the value that £100,000,000 had a few years ago. It ill becomes members of the Opposition to try to praise the Commonwealth Treasurer because he has raised pensions with every Budget. So he should! He is the man who gave us inflation by the stupid methods used to attack our financial problems when he and his Government came

into power and by advocating, with the assistance of members opposite, that price-control should be destroyed. It ill becomes members opposite to take praise for their own faults. They have made a number of remarks which should be corrected.

In his speech the member for Nedlands said that pensions should be fair and reasonable with due regard to the nation's capacity to pay. The nation's capacity to pay has been proved to such an extent that the Federal Government is reducing taxation by about £118,000,000. I imagine that the data on which that Budget was prepared were present-day figures. As everyone knows, the cost of living is increasing; prices are still rising—not as fast as they were—and the value of money is falling. So the gross income of the State and Commonwealth will be considerably higher in the future than it is at the moment. Therefore we can anticipate that the total income of the Commonwealth Government will be higher than that shown in the Budget. Of course, that anticipation is only a guess, because I do not know the basis upon which the figures were prepared but I think it will turn out to be a correct assumption.

Among other things the member for Nedlands said that the greatest need of the aged is care and attention from relatives, neighbours and friends. No one would say that aged people do not require such care and attention but, more important still, they should receive an income sufficient to enable them to eat good food and be decently clad during the winter. It would be interesting to examine the statistics of death rates during the winter and summer months and to examine the incidence of death in the older age groups during the winter. It would also be interesting to see how many of them were pensioners before they died and how many of them, prior to death, lived with relatives.

Not every pensioner has relatives. Many pensioners who have left the country areas to come to Perth in an effort to obtain cheaper living conditions and more amenities are without friends. Very few of them are able to obtain admission to institutions and frequently, in the city areas, their neighbours are pensioners, too. Members who are interested in this problem should study the difficulties of pensioners who are forced to live in rooms in the city, and if members would get in touch with officers of the Pensioners' League they would hear some very sad stories; some of these stories have received publicity in the evening Press over the last few weeks.

While he was speaking, the Leader of the Opposition mentioned, among other matters, the great benefits which are available to pensioners, and said that they have the right to obtain wireless licenses at half the usual figure.

Mr. Moir: Where are they going to get the money to buy wirelesses?

Mr. JOHNSON: That is the question I was going to ask the Leader of the Opposition. Perhaps he would supply wirelesses free to those pensioners who are unable to afford them or who have been forced to lend them to "uncle" in exchange for clothing, blankets or maybe the price of an extra meal or two. It is just as well that pensioners are able to obtain free medicine but there was a time when everybody was able to get free medicine. I do not think either of the members of the Opposition who spoke on this subject mentioned that point.

Last year I asked a few questions in the House about the rendering of accounts by the Royal Perth Hospital to pensioners who entered that institution for free hospitalisation. I discovered that accounts were rendered but it was admitted that if the pensioners made correct approaches through the proper channels the accounts would be written off. No doubt the officials in the hospital are still rendering those accounts.

I know that the Leader of the Opposition and his supporters do not agree with this particular motion. I did not intend to speak to it because I thought that members of the Opposition, being human, would agree to it. They have moved around a little and must surely have met one or two pensioners. To say that this motion deals with a subject that is outside the sphere of our activity is another matter. It must be remembered that although the Commonwealth is the senior Government in this country, we in this State are frequently affected by different sections of the Commonwealth Budget.

As members who represent many of the people vitally affected, we are most concerned with it and had the pension increases been a little more liberal there would have been less of an outcry. We are the mouthpieces for a large number of people and it is our duty to speak for the public of Western Australia about any injustice, if I may use the term, that may be done to them. I think that the electors we represent would definitely agree that it would not be correct to say that it is outside our sphere to criticise the Commonwealth Government. If any member cared to take a Gallup Poll on the subject by calling at any 10 or 12 houses in the metropolitan area and merely stated that he had made the visit as the member representing them in the ordinary way, I think it would be found that the subject of pensions would be raised. It is a strong topic among members of the public and we in this House should let our feelings be known. I support the motion as strongly as I can.

MR. MOIR (Boulder) [9.31]: I did not intend to speak because I thought the motion would be carried without debate. I was surprised to learn that the Leader of the Opposition and the member for Nedlands had seen fit to oppose it. I was also amazed at the remark of the Leader of the Opposition when he said that he did not think it was fitting for members of this Parliament to criticise the Commonwealth Government. I support that which has been stated by the member for Leederville, namely, that we represent the people in this State, including the pensioners.

We have every right to criticise the Commonwealth Parliament when we consider that a grave injustice has been done to any section of our community, and there is no doubt that injustice has been meted out to the pensioners. My opinion is that the paltry increase in the pension rate which has been granted by the present Commonwealth Government is both contemptible and miserable. There are not many people who did not expect at least a reasonable increase in pensions.

To those who have had dealings with pensioners it is well known that the majority of them are in dire stress and it is almost impossible for them to exist reasonably on the present pension, even with this increase of 2s. 6d. The average man does not seek charity but only what is his just due after he has spent a lifetime in industry or in the country where he has reared his family. There are not many workers who can put money aside to provide for their old age or for adversity.

There are however, many in the industrial sphere who have married late in life because they could not do so at an earlier age as they were forced to contribute to the support of their mother, father or sister. After becoming married, they then have had to support their own families. I have known pensioners who still had children attending school and quite a number had still not been relieved of their family burdens. Further, a great number have not been able to purchase their homes because they have not had the means to do so.

All of us grow old and many of us fall sick; that is something over which we have no control. Decent and respectable people who have reared their families during their life-time deserve better treatment than that which they are receiving at present. Some who are eligible to apply for a pension are most reluctant to cease work and make the application. I well remember, a couple of years ago, persuading a man to apply for the invalid pension. He had been afflicted with a stroke and was semi-paralysed. He was so reluctant to apply for a pension that when I finally prevailed upon him to do so, the tears were running down his cheeks

whilst signing the pension form. Without any hesitation, I would say that there are many people in similar circumstances.

Only this evening I spoke to the Minister for Justice about a man at Norseman who is in a bad state of health and who informed me last week-end that the doctor had advised him to apply for the invalid pension and to cease work owing to the precarious state of his health. This man said to me, "I do not want to be loafing on the invalid pension. If I could get a position such as a watchman or a lift driver, I would be quite prepared to work." That is the spirit displayed by a great number of those people who are eligible for pensions.

It has been mentioned that the permissible income that can be earned by an invalid pensioner will be raised from 30s. to £2 per week. However, I would point out that when a person is eligible to apply for an invalid pension, he is 85 per cent. incapacitated. So, what could he do to earn £2 per week?

Mr. May: He is not allowed to, anyhow.

Mr. MOIR: That is so. He is not permitted to earn anything. I do not think any member in this House will claim that even an aged person can live and maintain himself respectably on £3 10s. a week. In many instances, not only does he have to pay rent, but he has also to clothe himself, buy food and other essentials. Certainly he has nothing left over to provide for any entertainment. I maintain that a person is entitled to some form of amusement, whether he be young or old.

I take exception to a statement made by the member for Nedlands to the effect that people use the plight of the pensioner for political propaganda. Does that mean that in order to escape the charge that we make political propaganda out of the plight of these people, we must remain dumb when we believe they are being done a grave injustice? I do not know whether the charge was levelled at me or not, but I certainly will not be silent.

Hon. Sir Ross McLarty: I do not think it was levelled at you or at any member in this House.

Mr. MOIR: The statement was made in this House that the motion was a matter of political propaganda.

Hon. A. V. R. Abbott: I think the statement was that it should not be made a matter of political propaganda.

Mr. MOIR: The inference was there, that it was for purposes of political propaganda. That means, of course, that nobody can put forward an argument for the pensioner without laying himself open to the charge that he is doing so for purposes of propaganda. The member for Nedlands also said that the Federal Treasurer could have got himself a bit of cheap popularity by giving a few shillings

more. I would say the Federal Treasurer was more concerned at gaining popularity with the more influential people, because we note the tax remissions that have been made for people who could well afford to pay. We have also seen that the Commonwealth has vacated the field of amusement taxation. Quite a number of people have said to me that they would not have cared had the amusement tax remained provided the money raised by that means was given to the pensioner.

Hon. A. V. R. Abbott: That is going to remain, is it not?

Mr. MOIR: Of course that is another story. The Commonwealth Government could well afford to have given at least something decent to these people to enable them to have a little happiness in what remains to them of life. I am very much afraid that members of the Opposition have not come into contact with pensioners to any great extent. I do not know this, of course. I am only supposing that it is so by the manner in which they speak. If they came into close contact with these people from day to day, they could not help being struck by the terrible circumstances in which some of these pensioners find themselves.

It is true that some pensioners are better off than others; some have been fortunate enough to obtain their own humble homes and have not to pay rent at present; they are fortunate in having a little more money to spend. There are others who are even more fortunate and have a little additional income. I do not know whether some of our people on the Goldfields would be regarded as more fortunate. We have there people who have contracted industrial diseases to a very great extent and they do get payments from a certain fund established on the field. But while their immediate position is little better than the average pensioner, it means that the qualifications they possess to give them that extra assistance, indicate that their lives are cut a lot shorter.

Accordingly, I cannot at all understand why the Leader of the Opposition should get up and oppose the motion and try to make an apology for the Commonwealth Government for the very miserable assistance by way of increase that has been given to the pensioners. For my own part, I feel sure the pensioners must have been appalled when they saw the small amount that was given to them. I certainly would not like to be in the shoes of the members of the Opposition when they get up here in an attempt to defend the action of the Commonwealth. I hope the House will pass this motion and show the Commonwealth Government that we at least are voicing our disapproval in no uncertain manner, of its omission in this respect.

MR. BRADY (Guildford-Midland—in reply) ([9.45]): When I introduced this motion I hoped that it would not be necessary for me to reply. I extended the olive branch to the Opposition by suggesting that the motion might go through without debate. Unfortunately, however, the Opposition thought fit to defend the action of the Commonwealth Government and this necessitates my having to reply. In the main, my friends on this side of the House have dealt with quite a number of the arguments advanced by members of the Opposition.

First and foremost, however, I want to point out that we in Western Australia were granted self-Government in 1890. One of our obligations on that occasion was to have some regard for the old and invalid people. In about 1900 we entered into arrangements with the Commonwealth Government to take over certain responsibilities of Government and one of these responsibilities was to provide for the old, aged and invalid people. One of the obligations of the State Government and the Commonwealth Government is to provide for peace, order and good government.

For this Assembly to let an increase of 2s. 6d. go through and call that good government would suggest that the Opposition does not know its job. As the member for Leederville has already stated, the people to whom we are referring are human beings; they eat and sleep and have feelings just as we do. But the people who have been given the rebates and reduced taxation as a result of the Federal Budget are, in the main the companies that have neither body to be kicked nor soul to be damned. That is the position.

Those are the people whom the Opposition are looking after. They say Sir Arthur Fadden has done a good job. That is what the Opposition is saying in effect by opposing this motion which I hope will be carried. Many things have come to pass in recent years as a result of the actions of the Opposition. Some of them have been referred to by members in passing. For instance, when the present Opposition defended the "No" vote, they brought about the greatest possible inflation in Western Australia and Australia as a whole. In 1947 we were the cheapest country in the world and we are now the dearest country, and are losing our oversea markets.

Many people who retire with comfortable bank balances today are forced on to the old-age pension. They never thought that they would see the day when they would have to apply for the old-age pension. There are other aspects and this is the side with which the Opposition did not deal. I would like to remind the House that there are people who have been invalids almost from the day they were born; they never have had the op-

portunity to amass £319 in the bank; they never have had the opportunity to get their own homes.

As a matter of fact, there is a woman in my electorate who has been begging me to write to an organisation in New South Wales to endeavour to get her a battery wireless set. Because she cannot afford to get a better home, she is living in a place in which I would not put pigs. A woman and her son were put out of the house they were occupying, and she was compelled to enter a rest home. That woman, after paying the fees charged by the rest home, has not 6d. for herself. Yet the Opposition talk about the homes and comforts these people enjoy! Such talk makes me boil. I could speak for hours on the injustice these unfortunate people are suffering, and the injustice applies not only to old-age and invalid pensioners but also to young widows who are torn between loyalty to themselves as individuals and duty to their children.

In my own mind, I am satisfied that I know what is wrong with members of the Opposition. They do not come into contact with the difficult cases that exist in the community. Evidently they come into contact only with unusual cases. The Leader of the Opposition said he had met people who were agreeably surprised at the amount they would receive when the increase took effect. I was staggered to hear him make such a statement. He also told us that our views would not carry any weight with the Commonwealth Government. I say that our views do count and that we are entitled to express them.

Let me quote the remarks of various people who cannot be accused of having any direct political bias on the subject—

"The Budget provisions for war pensions are only a public insult to those who have served Australia in time of war," the W.A. State President of the Returned Servicemen's League (Mr. F. C. Chaney) said in Melbourne tonight. "A miserable hand-out such as this would have been better left undone. Why reduce taxes on unessential and luxury items while depriving a worthy section of the community of the bare necessities of life?"

As the member for Nedlands said, these people are the salt of the earth. They are people to be regarded with respect, having done a good job for the country, and now they are to receive the magnificent increase of 2s. 6d. a week, which is not the average price of a two-course meal in a Perth fish-shop.

Another man who has spoken on the subject is the secretary of the Pensioners' League, a man who is doing a marvellous job and sacrificing himself seven days a week in the interests of pensioners. This is what he said—

"Would the Government be glad to see pensioners dead?" This is the question posed by the Pensioners' League secretary J. T. Pollard, from the 2s. 6d. Budget increase in pensions. "The increase offered no inducement for pensioners to try to live under present hardships," he said. The miserable percentage of the pension in proportion to the cost of living forces us to believe that the Government would be glad to see us dead, and, unless we are anxious to accept charity, that's what we will be.

The Budget, in the opinion of the league, is despicable as regards pensioners. We have claimed that it is the responsibility of the Government in view of the taxes we have paid and the sacrifices we have made to see that it is possible for us to live. The experience of the league during the present year when, we claim, so many of our pensioners died through lack of ability to buy sufficient food, makes us dubious of the ability of many to survive the future.

The general secretary of the State branch of the A.L.P. had this to say—

It passes my comprehension why the Federal Government should give up £7,000,000 of entertainments tax in the complete absence of any public demand for such and leave the aged members of the community in their present plight.

I could quote Dr. Evatt and others who have spoken in the same strain. Now let me quote what some of the pensioners have said. A former wharf labourer says—

It's damned outrageous—won't help to buy even the tucker we need.

Another says—

What can anybody think of it? It's scandalous, disgraceful. It's an insult.

Another says—

It's no good. The 5s. a fortnight means one feed.

And another, a former crane-driver, says—

I wonder if they could afford it. Not much, is it?

There are other reasons why this Parliament should take the matter up. Loan funds made available to the State have been reduced, and so it will be impossible to provide amenities from Consolidated Revenue because the money will be required for essential purposes. Another section of the community that has interested itself in the matter recently is the Junior Chamber of Commerce, which is doing a good job. The pensioners should not have to rely upon the charity of the Junior Chamber of Commerce and similar organisations when it is a matter of endeavouring to make reasonable provision for them.

As the member for Leederville pointed out, many of these people have to live in boarding-houses and rest-homes. The Minister for Health, in reply to a question recently, said that 500 aged women were waiting to be admitted to rest-homes and that hundreds were waiting to be admitted to the home for aged men. While such conditions prevail, these people are entitled to receive a decent pension so that they may live a reasonable life. Possibly when they are admitted to the homes, they will receive food and shelter and enjoy amenities that were beyond their means while living in a room or sharing a room with three or four others.

We should make it clear to the Federal Government that in our view the pensioners should have been granted a substantial increase before companies making £5,000 or £6,000 profit were given taxation relief to the extent of 2s. in the £. According to a report in tonight's paper, a public company making a profit in excess of £5,000 a year will have its taxation reduced from 9s. to 7s. in the £, while one showing a profit of less than £5,000 will have its taxation reduced from 7s. to 6s. in the £. A rough calculation on a profit of £10,000 shows that a company would pay taxation amounting to £2,500. A company that has neither a body to be kicked nor a soul to be damned is to be granted taxation reduction to £2,500 while a pensioner who has a body to feed and a soul to be saved will receive the miserable increase of 2s. 6d. I am amazed that members on the other side of the House should have had the temerity to oppose the motion.

Question put and passed.

MOTION—GAOL PRISONERS.

As to Legislation for Parole.

Debate resumed from the 9th September, on the following motion by Hon. J. B. Sleeman:—

That in the opinion of this House, the Minister for Justice should bring down a Bill providing for the parole of prisoners similar to the Canadian Act.

THE MINISTER FOR JUSTICE (Hon. E. Nulsen—Eyre) [10.01: I agree to the motion and congratulate the member for Fremantle on having submitted it. I would like to read what the Solicitor General has had to say about the system here as compared with that in Canada. If there is anything in the Canadian system that would benefit prisoners here, I think it should be adopted because I feel sure there are quite a number of men in prison who could be restored to society as useful citizens if they only received encouragement and sympathetic treatment.

As Minister for Justice, I have had experience in releasing many men from prison at different times. I admit that

I have taken risks, but I can assure members that my action has paid great dividends because I have not been let down except on one occasion, and then only slightly. I know two ex-prisoners, one of whom is receiving £3,000 a year in Sydney, while another is in receipt of £2,500. If they had been left in prison without sympathisers and with nobody taking any interest in them, they would have been lost to society.

That has happened in many occasions, and I commend the member for Fremantle for his sympathetic attitude and his desire to restore to society those who have made mistakes. All of us have done that, but many have been unlucky enough to be found out. Probably there are people even in this House, who, if they had been found out, would have had to do a stretch! Had some of my actions when I was young been uncovered, I might have been looking for sympathy from an Attorney General or Minister for Justice.

I now propose to read comments supplied at my request by the Solicitor General. They are as follows:—

1. The motion is in effect that we should provide in this State for the parole of prisoners in a manner similar to that provided by the relevant Canadian Act.

2. The aim of the ticket-of-leave or parole system in Canada is expressed in the Canadian Year Book 1948-1949 to be "to achieve, through the substitution of a form of control or treatment, the reformation or civil rehabilitation of a prisoner outside of close imprisonment". The aim, therefore, is undoubtedly a worthy, humanitarian one, and the statistics quoted by the hon. member for Fremantle show that the system itself has worked well and paid dividends. It is therefore necessary to consider the system existing in this State, and whether any alteration thereto is desirable.

3. Prior to 1918, we had in this State under the provisions of Sections 661-8 of the Criminal Code, a parole system for persons convicted of being habitual criminals and sentenced to what was then called "preventive detention". There was apparently no parole system applicable to other prisoners, although any prisoner could then and still may be granted a pardon or remission of sentence by the exercise of the Royal prerogative of mercy, or can be granted a conditional remission of sentence under Section 705 of the Criminal Code.

4. In 1918, two amending acts were passed, the first to amend the Prisons Act and the second to amend the Criminal Code. It is convenient to deal with the second amendment first.

5. Act No. 32 of 1918 amended the Criminal Code by repealing the abovementioned Sections 861-8 and by substituting for the sentence of preventive detention the sentence of detention in a reformatory prison, and by continuing the power of the Governor to release on probation for two years and subject to conditions, any person undergoing an indeterminate sentence. Any person so released who is proved at any Court of Petty Sessions to have failed without reasonable excuse to comply with the conditions of his probation, or to have been associating with reputed criminals, or is convicted of an offence punishable with more than one month's imprisonment, becomes liable to further punishment by the Court and to be re-committed to a reformatory prison during the Governor's pleasure.

6. Act No. 31 of 1918 amends the Prisons Act by providing for the establishing of reformatory prisons, for the transfer to a reformatory prison of any prisoner over the age of 18 years serving a prison sentence, and for the parole of persons sentenced to be detained in or ordered to be transferred to a reformatory prison. The amending Act establishes an Indeterminate Sentences Board, consisting of three members, the present chairman being the former Public Service Commissioner, Mr. G. W. Simpson. The amendment imposes the statutory duty on the Board of making careful inquiry as to whether any person detained in a reformatory prison is sufficiently reformed to be released on probation. The Board is required to consult with the Comptroller-General and is empowered, with the approval of the Comptroller-General, to grant releases on probation to persons detained in a reformatory prison, regard being had to the safety of the public or of any individual or class of persons, and the welfare of the person whom it is proposed to release. The Board and the Comptroller-General in fact only exercise their power of releasing on parole where the offender has not been convicted of a capital offence, a serious offence or a sexual offence. Where the Board and the Comptroller-General consider that any person detained in a reformatory prison who has committed a serious or sexual offence, should be released on probation, a recommendation is made to the Minister and is accompanied by a statement of circumstances. The Minister is required to place the recommendation and statement before the Governor in Council who may release the prisoner on probation. Releases on probation are usually for two years,

and conditions are imposed that the prisoner will not associate with reputed criminals nor frequent hotels, and that the prisoner will report periodically either to the police or to the Comptroller-General personally.

7. It is the opinion of the Comptroller-General that the Western Australian system as above outlined "is as good as anywhere in the world." Following is a comparison of it with the Canadian system:—

- (a) Under the Canadian system the first step in the parole system is for an application to be made by or on behalf of a prisoner for his release on probation. Under the Western Australian system a prisoner cannot first make an application for parole but he may make an application for transfer to a reformatory prison. Whether he does so or not, it is the statutory duty of the Comptroller-General to consult with the Indeterminate Sentences Board as to whether it is desirable that any particular prisoner should be transferred to a reformatory prison. Thus, under our system, a watchful eye is continuously kept on all prisoners to see which of them should be transferred to a reformatory prison, and as soon as a prisoner has been so transferred, it is the statutory duty of an independent Board to make careful enquiry as to whether the prisoner is sufficiently reformed to be released on probation, regard being had to all relevant circumstances.
- (b) The next step under the Canadian system is for reports to be requested from the trial judge, the police who handled the prisoner's case and the prison warden. Under the Western Australian system the Board and the Comptroller-General keep continuously in touch with all prisoners in a reformatory prison, and thus have more intimate and up-to-date knowledge of prisoners than any other person.
- (c) The next step in the Canadian system is for all circumstances to be studied by "well qualified investigators in the Remission Service Branch of the Department of Justice." The inference is that it is only after the ap-

plication has been made by the prisoner, and the reports received, that the "well qualified investigators" commence their study of the circumstances, and presumably these investigators are departmental officers whose identity may change from time to time. Under the Western Australian system the Board and the Comptroller-General replace the departmental investigators, but the members of the Board are each appointed for three years, and it is the statutory duty of the Board and of the Comptroller-General to keep close touch with all prisoners in the reformatory prison, and it is suggested that their knowledge of the prisoner must be at least equal to and almost certainly greater than the knowledge of departmental investigators.

- (d) The next and final step in the Canadian procedure is for recommendation for release on parole to be made to the Governor General. The system is the same in Western Australia for all serious and sexual cases, but in other cases the Board and the Comptroller-General may agree to grant release on probation for periods up to 2 years on conditions as above outlined.

8. It is suggested therefore that the Western Australian system achieves the same aim of the Canadian system but by a better method.

Although I know little of the Canadian system other than what I have read here, it seems to me that if we could carry out our system as effectively as the system in Canada is administered, then ours would be just as good. I do feel, however, that I should discuss the matter with the Comptroller of Prisons and if, when I do, I find there are any features of the Canadian system that will favour our prisoners, I feel we should adopt them. There is no harm in approving the motion. If it is passed, it will give me the opportunity to work on this matter. I am sympathetic towards these unlucky people, and I feel that we should do all we can to bring them back into society so that they can be used in the development of the State rather than being a charge on it.

On motion by Hon. A. V. R. Abbott, debate adjourned.

House adjourned at 10.14 p.m.

Legislative Assembly

Thursday, 17th September, 1953.

CONTENTS.

	Page
Questions : Housing, (a) as to audit queries on Commission's accounts	628
(b) as to homes for aged and indigent	629
(c) as to giving notice of question	629
Water supplies, as to cost of Kalamunda scheme	629
Transport, as to road charges, Perth-Carnarvon	630
Swan river, as to pollution and discoloration	630
Railways, as to increased freight charges	630
Kindergarten Union, as to financial assistance	630
Prices control, as to ministerial conference and proposals	630
Bills : Vermin Act Amendment, 1r.	631
Collic-Giffin Mine Railway, 1r.	631
Western Australian Government Tramways and Ferries Act Amendment, 1r.	631
Mine Workers' Relief Act Amendment, 8r.	631
Associations Incorporation Act Amendment, 8r.	631
Pig Industry Compensation Act Amendment, 2r.	631
Collic Club (Private), 2r.	632
Industrial Development (Kwinana Area) Act Amendment, 2r.	633
Hospitals Act Amendment, 2r., Com.	635
Income and Entertainments Tax (War Time Suspension) Act Amendment, 2r.	638
Entertainments Tax Act Amendment, Message, 2r.	639

The SPEAKER took the Chair at 2.15 p.m., and read prayers.

QUESTIONS.

HOUSING.

(a) *As to Audit Queries on Commission's Accounts.*

Mr. JOHNSON asked the Minister for Housing:

As the report of the Auditor General upon the audit of the Housing Commission accounts raises various queries, will he indicate what corrective action has been taken—

- (1) Re File 6434/48 and misrepresentation as to qualification of "worker"?
- (2) Re Prototype Econo steel-framed prefabricated house at Carlisle?
- (3) Ministerial consent under Section 21 (c) for £12,351 16s. 7d. for completion of shops?
- (4) Suspense accounts £1,526 14s. 5d., re cost of engine, etc., at Nyamup?
- (5) Re rentals of army huts?