

# Legislative Council

Tuesday, the 12th November, 1974

The PRESIDENT (the Hon. A. F. Griffith) took the chair at 4.30 p.m., and read prayers.

## CONSTITUTION ACTS AMENDMENT BILL

### Message: Royal Assent

Message from the Lieutenant-Governor and Administrator received and read notifying that he had reserved the Bill for the signification of Her Majesty's pleasure.

### BILLS (7): ASSENT

Messages from the Lieutenant-Governor and Administrator received and read notifying assent to the following Bills—

1. Western Australian Institute of Technology Act Amendment Bill.
2. Alcohol and Drug Authority Bill.
3. Convicted Inebriates' Rehabilitation Act Amendment Bill.
4. Alumina Refinery Agreement Act Amendment Bill.
5. Housing Agreement (Commonwealth and State) Act Amendment Bill.
6. Distressed Persons Relief Trust Act Amendment Bill.
7. Commonwealth Places (Administration of Laws) Act Amendment Bill.

## QUESTION WITHOUT NOTICE

### ARCHITECTS

#### Engagement by Government Instrumentalities

The Hon. A. A. LEWIS, to the Minister for Justice:

- (1) Will he ask for immediate recommendations from the special committee investigating the proposed Western Australian heritage commission with a view to commissioning private architectural firms to prepare surveys and reports of all towns and municipalities to form comprehensive archival and source inventories of the heritage?
- (2) Can he advise other research programmes which would be commissioned to the private architectural sector in other fields, such as transitional and permanent housing and settlement forms for Aborigines, building technologies, etc., and which offer employment for teams comprising all levels of architectural staff?

The Hon. N. McNEILL replied:

- (1) The suggestion will be discussed with the special committee investigating the proposed Western

Australian heritage commission, although I can see practical difficulties in anticipating their recommendations.

- (2) To help the architectural profession a considerable amount of preplanning work is being done on various projects. In this regard the Public Works Department is liaising with the Institute of Architects.

## QUESTIONS (3): ON NOTICE.

### SUPERPHOSPHATE

#### Availability and Price

The Hon. D. J. WORDSWORTH, to the Minister for Justice:

- (1) At the end of October, 1974, how much superphosphate was available, but not purchased, at the following works—
  - (a) Bayswater;
  - (b) Kwinana;
  - (c) Picton;
  - (d) Geraldton;
  - (e) Albany; and
  - (f) Esperance?
- (2) (a) Is this superphosphate available at a cheaper price than will be charged after the 1st January, 1975; and
  - (b) if so, how much cheaper?
- (3) (a) Have the Department of Agriculture economists made inquiries why farmers are not purchasing this cheaper priced fertiliser; and
  - (b) if so, why is it not being purchased?
- (4) What are the indications of fertiliser use this season compared to last?
- (5) What will be the long term effect of this trend on primary production in this State?

The Hon. N. McNEILL replied:

- (1) Details of superphosphate stocks at manufacturing works are not available to the Department of Agriculture.

Special provisions were, however, incorporated into the 1974-75 Distribution Plan to provide maximum possible manufacture and equitable supplies to farmers before the discontinuation of the subsidy.

Deliveries to farmers were at a high level throughout October and will continue at a peak through November and December to supply more than three times the usual amount over the first half of the current season.

As a consequence, it is expected that farmers will receive the benefit of \$6 million in superphosphate subsidy which may otherwise have been lost to them.

- (2) (a) and (b) Yes, by the extent of the subsidy (\$11.71 per tonne). Also imported phosphate rock which is supplied at uniform prices to all Australian manufacturers by the British Phosphate Commissioners is subject to price change at any time.

Overseas market prices are known to have risen recently and this could later be reflected in higher Australian costs though no definite indications are yet available.

- (3) (a) and (b) No such inquiries have been made.
- (4) Fertiliser deliveries in 1973-74 amounted to 1.9 million tonnes. Farmers have scheduled 1.5 million tonnes for delivery in 1974-75.
- (5) The reduction in scheduled orders for 1974-75 below the level of deliveries in 1973-74 is not considered to have special significance but if a long-term trend for reduction in superphosphate use was established it would lead to decreased agricultural production.

2.

## KANGAROOS

### *Shooting Permits*

The Hon. D. J. WORDSWORTH, to the Minister for Education:

As the kangaroo management programme for grey kangaroos states "If no-one on the property wishes to shoot then licensed part-time shooters authorised by the Department are available"—

- (a) are farmers encouraged or discouraged by the Police Department to purchase firearms of a calibre and velocity to quickly kill rather than maim;
- (b) in shooting a kangaroo, is there a skill which every farmer cannot be expected to have;
- (c) is it possible to fully harvest kangaroos without freezer facilities, four wheel drive vehicles, and special high-powered firearms;
- (d) how many part-time shooters are licensed in the following Shires—
- (i) Esperance;
- (ii) Ravensthorpe;
- (iii) Gnowangerup; and
- (iv) Albany;

- (e) how many of these shooters have freezer facilities;
- (f) how many are registered in more than one shire;
- (g) during the last year, how many permits were granted in each of the shires referred to in (d);
- (h) during the last year, what was the total number of tags granted in each of these shires;
- (i) in view of the gun-shy nature of the kangaroo, and if a large number have to be destroyed on one property, are multiple small permits satisfactory;
- (j) are fifty tags considered an economic number for professional shooters to enter a property for the purpose of harvesting kangaroos?

The Hon. G. C. MacKINNON replied:

- (a) No, but the use of firearms and especially high powered rifles is not encouraged by the Police Department in circumstances where human life may be endangered by such use. The Firearms Act, 1973 permits a primary producer to obtain a license for a high powered firearm to destroy vermin on his property provided—

- (i) that the property owner is a suitable person;
- (ii) that the property owner has a good reason which would cover destroying vermin on property used by him for agriculture;
- (iii) that the property is suitable for the calibre of the firearm.

An employee of a primary producer with permission of his employer may use the licensed firearm on his employer's property. The employee does not require a further license under the Firearms Act.

- (b) Yes—although many farmers do have the requisite skill.
- (c) Yes in some localities, but not in others.
- (d) (i) Esperance Shire—Two shooters.
- (ii) and (iii) Ravensthorpe and Gnowangerup Shires—Three shooters are licensed to operate in both of these Shires.
- (iv) Albany Shire—Two shooters.

- (e) Three shooters own mobile freezer facilities and the other four have access to such units.
- (f) Five of these shooters are permitted to shoot in more than one Shire.
- (g) In the period 1st November, 1973 to 31st October, 1974—
  - (i) Esperance Shire—Twenty licenses were issued to permit kangaroos to be taken for commercial purposes.
  - (ii) Ravensthorpe Shire—Eleven licenses.
  - (iii) Gnowangerup Shire—Eighteen licenses.
  - (iv) Albany Shire—Eleven licenses.
- (h) In the period 1st November, 1973 to 31st October, 1974—
  - (i) Esperance Shire—1 854 tags.
  - (ii) Ravensthorpe Shire—922 tags.
  - (iii) Gnowangerup Shire—978 tags.
  - (iv) Albany Shire—737 tags.
- (i) Usually, and exceptions are handled on their merits.
- (j) Yes, in most cases.

3.

### KANGAROOS

#### Shooting Permits

The Hon. C. R. ABBEY, to the Minister for Education:

- (1) How many professional kangaroo shooters have licenses to shoot kangaroos in the—
  - (a) pastoral areas of Western Australia; and
  - (b) South West Land Division?
- (2) To the 30th October, 1974, how many licenses have been withdrawn since the inception of the scheme?
- (3) If any licenses were cancelled, what were the reasons for such cancellations?

The Hon. G. C. MacKINNON replied:

- (1) (a) Fifty-one shooters have licenses to shoot in pastoral areas—shooting mainly red kangaroos. Fifty-seven were originally issued.
- (b) Thirty part-time shooters have licenses to shoot in the South West Land Division—shooting mainly grey kangaroos. Four shooters applications for renewal are under consideration. Forty-two shooters were originally lic-

ensed and a further five shooters were subsequently licensed.

(2) To the 30th October, 1974—

- (a) Red Kangaroo Shooters Licenses—Two licenses were allowed to lapse by the license holders.
- (b) Grey Kangaroo Part-time Shooters Licenses—Ten licences were allowed to lapse by the license holders.
- (3) (a) Four Red Kangaroo Shooters Licenses were not renewed. Of these two shooters were operating in an area where kangaroos were no longer available. The other two shooters had displayed a poor shooting performance.
- (b) Three Grey Kangaroo Part-time Shooters Licenses were not renewed. Of these two shooters had displayed a poor shooting performance and the other shooter would not submit returns of his shooting performance.

The Department of Fisheries and Fauna has pursued no deliberate policy for reducing the number of kangaroo shooters licenses.

### LAKE LEFROY SALT INDUSTRY AGREEMENT ACT AMENDMENT BILL

#### Second Reading

THE HON. G. C. MacKINNON (South-West—Minister for Education) [4.50 p.m.]: I move—

That the Bill be now read a second time.

The primary purpose of this Bill is to seek Parliament's ratification of an agreement between the State and Lefroy Salt Pty. Ltd. for purchase by the State of a substantial part of the company's railway spurline extending from Widgiemooltha to Lake Lefroy.

As will be noted from the terms of the agreement scheduled to the Bill the contract includes certain commitments on the part of the company which are extensions of its obligations under the Lake Lefroy Salt Industry Agreement Act of 1969. This, together with the fact that the section of line being purchased was constructed under the terms of the 1969 agreement, makes it necessary that the contract take the form of a variation to the agreement.

The basic terms on which the contract was to be negotiated were evolved during the term of the previous Government. The present Government approved those terms, and negotiations have resulted in the variation agreement now requiring ratification.

The 1969 agreement provided for the construction of a spurline between Widgiemooltha and the company's production site at Lake Lefroy. This spurline was to be constructed on a route and to specifications approved by the State, and was to be maintained and owned by the company, but the company was to have no tenant rights over the line. Operations over the line were the State's responsibility, the State having the right to use the line, under certain conditions, for traffic other than the company's.

The agreement also provided that the line would revert to the State without compensation at the expiration or earlier determination of the agreement.

The company constructed the line, of about 15 kilometres in length, some years ago at a cost stated to be about \$770 000.

Under the principal agreement the company also had certain substantial obligations regarding contributions towards the cost of upgrading of the Widgiemooltha-Esperance railway and was obliged to maintain certain specified minimum tonnages over the line.

Members will be aware that the decision was taken some time ago to convert the rail link with Esperance to standard gauge rather than simply to upgrade the old narrow gauge line. In planning this conversion it was seen as desirable to re-route the line direct from Kalgoorlie to Widgiemooltha, linking in with Lefroy Salt company's spurline at an appropriate point so that a section of the spurline would become an integral part of the main line.

Obviously in this situation it would be impractical for the State not to have full title and control over the whole of a railway used for the normal day-to-day operations of the Railways Commission.

After taking into account the respective rights, obligations, and performance of the company in respect of some of the matters I have mentioned, the State decided to proceed with the purchase of the line on conditions which I shall shortly explain.

The House will also be aware that the State commenced operations over the new standard gauge line on the 8th September, this year, and will note that the agreement scheduled to the Bill provides for State acquisition of the line retrospective to that date.

The agreement provides for the State to pay Lefroy Salt Pty. Ltd. a total purchase price of \$425 000 in two instalments, the first instalment of \$300 000 to be paid on the following conditions—

firstly, upon the company upgrading its washing plant and associated facilities to enable it to achieve a production level of not less than 350 000 tons of salt per year;

secondly, upon the company submitting satisfactory evidence as to marketing arrangements for the sale of salt at a rate not less than 350 000 tons per year; and

finally, upon the company showing that it has completed satisfactory arrangements regarding the provision of a brake van and the correction of structural defects in the company's rolling stock.

The agreement has been written in such a way that, in a sense as a proviso, the State can accept substantial completion of the washing plant and associated facilities in order to make early payment of the \$300 000 instalment.

The second instalment of \$125 000 is to be paid to the company within six months of its producing evidence to the satisfaction of the State that the company has exported in any year commencing on the 1st April through the port of Esperance not less than 400 000 tons of salt.

In addition to these primary matters, the variation agreement also deals with several minor items, some of which are consequential to the sale of the spurline, others simply adjust the terms of the principal agreement as a result of the Widgiemooltha-Esperance railway being converted to standard gauge, and others flow from administration requirements, etc.

Under clause 3(1) of the variation agreement the principal agreement is amended to provide for the company being granted a lease over the remainder of its spurline, on conditions identical with the original conditions under clause 6 of the principal agreement.

Several consequential minor amendments flow from this point and from the fact that the State will own that part of the spurline described in the schedule to the agreement as from the 8th September, 1974. These are dealt with in clause 3, subclauses (1)(b), (1)(d), (1)(e), (2) and (7) of the variation agreement.

Clause 3(4) of the variation agreement makes adjustments to rates of loading and maximum tonnage per wagon specified in the principal agreement, this becoming necessary as a result of the increased capability of the standard gauge line.

Clause 3(3) corrects a minor drafting gap found in the principal agreement and will ensure that the whole of the provisions of subclause (2) of clause 12 of the principal agreement flow through to any lease issued under the provisions of the principal agreement.

Finally, under the last paragraph of subclause (6) of clause 3 of the variation agreement provision is made for the Railways Commission to hire locomotives and rolling stock from the company from time to time on such terms and conditions as

it may agree with the company. This provision is made retrospective since the commission has already been hiring locomotives from the company during times at which the company could not put its equipment to full use because of production or marketing problems.

To summarise, the variation agreement is a straightforward document under which both the company and the State will achieve effective objectives. It is desirable that it be ratified with a minimum of delay and I therefore commend the Bill to the House.

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

## **DAMPIER SOLAR SALT INDUSTRY AGREEMENT ACT AMENDMENT BILL**

### *Second Reading*

**THE HON. G. C. MacKINNON** (South-West—Minister for Education) {4.57 p.m.}: I move—

That the Bill be now read a second time.

The purpose of this Bill is to obtain parliamentary ratification of an agreement varying the terms of the Dampier Solar Salt Industry Agreement of 1967, in respect of the boundary of the production site specified in that agreement to enable the company, Dampier Salt Limited, to be issued with an appropriate lease.

The necessity to amend the boundary of the production site arises from two points—firstly, the fact that the terms of the principal agreement are quite specific in defining the area over which the production site lease may be issued; and secondly, that, almost inevitably, the company's actual production site boundary, as constructed, does not conform exactly with the area specified in the agreement.

In regard to the first point, clause 3, subclause (1) of the principal agreement states that the company may make application for a lease of—and I quote from the subclause—

all that land edged in red in the plan initialled on behalf of the parties hereto for the purpose of identification and comprising approximately 28 600 acres or so much of it as the company in the application specifies . . .

It can be seen that the company could apply for a lease of an area either less than or exactly conforming with the boundary shown on the plan to the agreement, but could not obtain under the special terms of the agreement, a lease over areas outside that boundary. However, following the completion of a survey of its established salt field, the company applied for a production site lease covering an area somewhat larger than the acreage originally estimated and extending in several instances beyond the red perimeters shown in the plan attached to the principal agreement. It was at this stage

that the administrative difficulty caused by the inflexible terms of clause 3 (1) were brought to light.

I shall table a plan of the salt field showing in red the original boundary and superimposed over this in brown the new boundary of the field as delineated in plan "A" appended to the variation agreement now before the House for ratification.

It will be noted from the plan that part of the newly defined production site intrudes into areas edged in blue and green on the original plan. These blue and green areas are the subject of clause 3, subclauses (2) and (3), of the principal agreement, under which Dampier Salt was granted, or could obtain, subject to the proviso to subclause (3) being cleared, options exercisable by the 31st December, 1977, to add the areas to its production site lease.

It can be seen that the major part of the increase in size of the production site area comprises intrusion into these areas. In view of the fact that the proviso to subclause (3) has been satisfied it could be considered that, in effect, the company has partly taken up its options over these blue and green bordered areas. However, for the sake of simplifying procedures, particularly in respect of drawing a new plan, it was considered desirable merely to amend the boundary of the initial production site and to adjust the blue and green bordered areas accordingly. I also table a copy of the new plan.

To summarise, the current position is that plan "A" in the executed variation agreement, as scheduled to the Bill now under consideration, depicts the border shown in brown on the tabled plan, and also depicts the actual physical limits of the salt field as constructed by Dampier Salt Limited. Were it not for the fact that terms of the principal agreement do not permit leasing of any land outside the boundary shown in the original plan, issue of a lease over the amended production site would have proceeded in the normal course of the administration of the agreement, since the area developed by the company conforms with the intent of the agreement and is quite acceptable to the State.

I now turn to two other matters covered in the variation agreement; namely, the provision under clause 3 (2) for one party to give notice to the other in the event of a claim of *force majeure* under clause 27 of the principal agreement, and the inclusion, under clause 3 (3), of the important and now standard clause making clear the company's obligations regarding protection of the environment. These are straightforward matters familiar to the House and should require no further explanation.

I commend the Bill to the House.

*The plans were tabled (see paper No. 312).*

Debate adjourned, on motion by the Hon. D. W. Cooley.

## PHOSPHATE CO-OPERATIVE (W.A.) LTD. BILL

### *Second Reading*

Debate resumed from the 31st October.

**THE HON. R. T. LEESON** (South-East [5.02 p.m.]: This Bill is of great importance to the farming community in the eastern wheatbelt district. It is a pity that a Bill of this nature had to come before Parliament as it was hoped that this concern could have got off the ground earlier. However, as the Minister indicated in his second reading speech, the idea that farmers were to guarantee a certain amount of money and to take a certain amount of phosphate, did not quite reach fruition. There was a slight shortfall, which is very unfortunate for a number of reasons.

This industry is of vital importance in the area. If superphosphate is produced some 162 miles inland from the coast, transportation costs will be cut drastically, and this will reduce the cost of the product. Apart from this, the establishment of a superphosphate works in this area will be a step towards decentralisation. This avenue of employment is needed urgently at the present time. As I said earlier, it is unfortunate the industry has not as yet got off the ground. I feel sure that given the extra time this superphosphate works will eventuate. The Bill provides that the company has until the 1st July, 1975, to fulfil its requirements. I am sure the company will be able to meet its obligations and that we can look forward to an industry which will benefit everyone concerned. I support the Bill.

**THE HON. D. J. WORDSWORTH** (South) [5.05 p.m.]: In supporting this Bill I agree with the previous speaker to a certain extent. However, I do feel the delay may be fortuitous after all. With the very large increase in the cost of fertilisers, I believe we will see a complete change in their usage. Perhaps as this company starts to set its plans in motion, it may find it will have to change them somewhat.

Today I noticed on my desk the annual report of Westralian Farmers Superphosphates Limited. I was rather interested to see a table of the cost of producing superphosphate, including the cost of the raw material. This report shows that a farmer who is a shareholder in the company pays \$12.72 per tonne for his superphosphate. This is, of course, after the Commonwealth bounty of \$11.81 per tonne has been paid. It is expected that the bounty will be removed after Christmas, and, in addition, the cost of the raw product may rise by another \$10 a tonne.

Currently the rock costs some \$17 per tonne of a total cost of production of \$24 per tonne. So it can be seen that the cost of distribution, administration, etc., plays a very small part in the total cost

compared with the price of the raw material. Unfortunately, the price of the raw material is rising all the time, and because of this I believe we will see greater use of concentrated fertilisers rather than the ordinary superphosphate that is used today, which is only 22 per cent phosphate. With modern manufacturing methods, I believe we will see the use of highly-concentrated fertilisers such as Agram. Nitrogen and other additives are used in the production of these fertilisers.

It is for these reasons that I say we may benefit from the delay in the formation of this company. I am glad the Government has seen fit to permit the company some reorganisation so that the shareholders do not have to be repaid at the present time. I certainly wish the company well in the establishment of its works, but I believe the directors will have to reconsider the whole question of the use of superphosphate. Perhaps the experience the directors will gain in the next year will be of great advantage. I support the Bill.

**THE HON. N. McNEILL** (Lower West—Minister for Justice) [5.09 p.m.]: I wish to thank the Hon. R. T. Leeson and the Hon. D. J. Wordsworth for their support of the Bill. I do not think it is necessary for me to elaborate further on the provisions of this measure. No points of great consequence were raised by the speakers, other than the reservations expressed by Mr Wordsworth about the company's future operations. I join with him and Mr Leeson in their expressions of goodwill to this company. I certainly hope the company will make full use of the extended opportunity made available under the measure. I again thank the members for their support.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

### *Third Reading*

Bill read a third time, on motion by the Hon. N. McNeill (Minister for Justice), and transmitted to the Assembly.

## SUPERANNUATION AND FAMILY BENEFITS ACT AMENDMENT BILL

### *Second Reading*

Debate resumed from the 31st October.

**THE HON. R. THOMPSON** (South Metropolitan—Leader of the Opposition) [5.12 p.m.]: At the outset may I say that I do not object to this Bill at all. Five sections of the principal Act are to be amended to bring about three changes which I believe will assist the workings of this Act.

Firstly, the Bill provides that in future the trustees may invest in mortgages for land held in fee simple. Investments of this type will attract a higher interest rate than that presently obtained by the fund. Of course, any such transaction must have the approval of the Treasurer, and this will ensure that contributors to the scheme are protected; in other words, the money will be invested in gilt-edged securities.

It is pleasing to note that in his second reading speech the Minister told us that it is not intended to discontinue loans to local authorities and others who have made use of moneys from this fund for urgent works and for loan funds up to a seven-year period. The removal of the limiting period will also be of benefit because loans may now continue for a longer period of time.

I believe the legislation contains sufficient safeguards in regard to extensions. I would not like the Government to find itself in the position in which the Governments of Tasmania and New South Wales found themselves some years ago when money from the superannuation schemes in those States was invested in private companies. Heavy losses were incurred and the funds of these superannuation schemes were left in a very unsatisfactory position. This was possibly so because the legislation in those States did not contain the safeguard of the Treasurer having to approve of the investments. However, I do not think we have much to worry about in that respect.

During the years the board has given a very creditable performance and I think it can be relied upon in the future to continue to give service to its contributors.

The proposed amendment to section 35 of the Act is an extension of what is probably requested by all insurance companies when any person wishes to enter into an assurance policy or a superannuation scheme. I can well appreciate the difficulty in this connection because in the present circumstances anyone can elect to take out superannuation units provided he entered the service with a clean bill of health; and this can be done one, two, three, or five years after his entry into the service.

Under the amending Bill such a person will have to provide a medical certificate preceding his election period. I think this would allow sufficient latitude and would certainly not act against the person concerned; on the other hand it would help many of those who, when they join the service, ponder for years and years as to whether or not they should take out benefits. I cannot see anything wrong with this amendment.

Another good feature in the Bill concerns those who continue in service after the age of 65, mainly at the Government's request. I think the Minister made particular reference to magistrates when dealing with this aspect. Previously such people, after giving the three years of extra service to the Government, have been relegated to the superannuation payments they would have received at 65 years of age.

This position will now be rectified and such people when in circumstances similar to those of magistrates—as referred to by the Minister—and who work beyond their retiring age will be paid benefits as operative at that date.

The most important amendment in the Bill concerns people who take out extra units. With rising inflation and the loss in the value of the dollar over the last few years, I feel it is necessary that contributors should be given this safeguard and be permitted to take out extra units and so update their superannuation as they might find convenient to satisfy the needs of their retirement.

Generally speaking, I think the Bill is a good one and I support it.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

Bill read a third time, on motion by the Hon. N. McNeill (Minister for Justice), and passed.

## **PERTH MINT ACT AMENDMENT BILL**

*Second Reading*

Debate resumed from the 31st October.

**THE HON. D. W. COOLEY** (North-East Metropolitan) [5.21 p.m.]: The Opposition naturally supports this measure because it confers upon the present employees of the Perth Mint the same superannuation benefits that apply to other Government employees.

Apparently superannuation benefits were previously made available to these employees up until their 60th birthday. My understanding of the Bill is that in fact such employees will now be able to take out extra units up until their 65th birthday.

The other pleasing feature in the Bill is that it validates elections that have been made retrospectively to the 1st July, 1970; that being the date on which the State Government accepted the responsibility for the administration of the Mint.

On those grounds we support the Bill.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

### *Third Reading*

Bill read a third time, on motion by the Hon. N. McNeill (Minister for Justice), and passed.

## **PUBLIC AUTHORITIES (CONTRIBUTIONS) BILL**

### *Second Reading*

Debate resumed from the 31st October.

**THE HON. R. THOMPSON** (South Metropolitan—Leader of the Opposition) [5.25 p.m.]: When the Minister introduced this Bill he said, "This is one of four measures designed to give effect to revenue-raising proposals which the Premier and Treasurer announced when presenting the Budget in another place."

The Minister then went on to say just exactly what this one Bill will raise by way of increased taxation. We find that from the State Electricity Commission it will in one year raise an amount of \$2.298 million; from the Metropolitan Water Supply, Sewerage and Drainage Board an amount of \$618 000 will be raised, and from the Fremantle Port Authority the Bill will raise \$420 000—making a grand total of \$3.336 million.

I daresay we can all cast our minds back to the first session in 1971 when we became the Government and when we increased a few minor taxes and charges. I say that advisedly, because, by comparison, over 40 such taxes and charges have been increased by this State Government during the seven months it has been in office. To say the least this is quite deplorable.

All the State Government seems to do is to waffle and complain about what the Australian Government should be doing; but when we consider the truth of the matter we find that the reason for this State Government's having increased taxes and charges is to enable it to meet its extravagant election promises.

The Hon. N. McNeill: That is not correct.

The Hon. R. THOMPSON: It is all very well for the Minister for Justice to say that, but when we have a look at what the Liberal Party said during the election we find that its education policy alone was costed at \$55 million.

The Hon. G. C. MacKinnon: Who did that?

The Hon. R. THOMPSON: The Minister's own party. Does not the Minister know about this?

The Hon. G. C. MacKinnon: This was to be in three months, I suppose?

The Hon. R. THOMPSON: No, over a three-year period. I am now referring to what Sir Charles Court himself said, and his statements have not been refuted. The Minister for Education knows very well it would be impossible to put the Liberal Party's platform into operation over a three-year period when it is costed at \$55 million.

The Hon. J. Heitman: I thought you were looking at a three-month period.

The Hon. R. THOMPSON: That is the sort of stupid remark that was made when the honourable member was in opposition. At that time Mr Heitman wanted us to do everything in three months' time. However, we carried out most of our policies in the three-year period.

The Hon. G. C. MacKinnon: You do not know what I did.

The Hon. R. THOMPSON: The present State Government is completely irresponsible inasmuch as it talked about implementing an education policy and another policy which we costed at \$315 million; a figure which has now proved to be correct.

The Hon. G. C. MacKinnon: It has not been proved to be correct. That is utter rot and piffle.

The Hon. R. THOMPSON: If what I say is a ridiculous statement, let the Government tell us what it has done in the seven months and one week during which it has been in office.

The Hon. G. C. MacKinnon: It felt like seven years when trying to deal with the Commonwealth Government.

The Hon. R. THOMPSON: Here we go again; we hear these sob stories and wallings to which we have now become accustomed. All the State Government can do, however, is to continue to tax the people further and take more money from them. Since it has been in office the State Government has not done one constructive thing for the people of Western Australia, and there seems to be very little likelihood of its doing anything constructive during its three-year period of Government.

The Hon. G. C. MacKinnon: That is wrong. There is a front page announcement in the *Daily News* tonight.

The Hon. R. THOMPSON: The Liberal Party was elected on lies; its policy was lies from start to finish. Its policy was never costed; it did not have a programme to put to the people. The party got through with its leader's usual chattering and chanting, and now when he finds the smile has left his face he is not in a position to do one single constructive thing. If the Government intends to do one constructive thing this year or within the first 12 months of its being in office, apart from increasing 40 charges and taxes—

The Hon. Clive Griffiths: The Government has done one constructive thing.



The Hon. R. THOMPSON: What is that?

The Hon. Clive Griffiths: The one constructive thing we have done is that we have convinced Mr Whitlam that there is raging unemployment in this nation and inflation is running riot. He said it was not.

The Hon. R. THOMPSON: That is one of the most worthless interjections—

The PRESIDENT: Order!

The Hon. R. THOMPSON: I am thankful for that interjection, because the boot is now on the other foot. In 1971, when the McMahon Government was in office and we were occupying the Treasury benches, motions were moved, questions were asked, and our Government was castigated, particularly by Mr Clive Griffiths.

The Hon. Clive Griffiths: It is not like me to do that.

The PRESIDENT: I must remind the Leader of the Opposition that he is not speaking to the Bill.

The Hon. R. THOMPSON: I am speaking to the Bill inasmuch as these were extravagant election promises made by the Liberal Party and now the people of Western Australia are being taxed for the purpose of fulfilling those promises. Let me speak on the question of unemployment. Over the last three-year period the position in regard to unemployment has changed completely.

The Hon. Clive Griffiths: I'll say it has!

The Hon. R. THOMPSON: Previously it was the Tonkin Labor Government that was to blame. The statements that were made then were that there was a lack of confidence in the community and that nothing was being accomplished.

The Hon. Clive Griffiths: Right again!

The Hon. R. THOMPSON: When we went out of office we had absolute and full employment. We produced the best employment figures ever. We now find that, because of this Government's ineptitude, lack of foresight, lack of drive, and lack of initiative there is rising unemployment. However, this Government now blames the Whitlam Commonwealth Government. It is marvellous, now that members opposite have changed sides—

The Hon. Clive Griffiths: Five minutes ago Whitlam said there was no unemployment and no inflation.

The Hon. R. THOMPSON: I was not listening to him five minutes ago, but if he said that five minutes ago, he must have solved something. However, when is the honourable member's Government going to solve something? All it has done is to increase taxes and charges.

The Hon. Clive Griffiths: We convinced Mr Whitlam that he was crucifying the mining industry with his policy.

The Hon. R. THOMPSON: The honourable member cannot even convince his own party as to what is going on.

The PRESIDENT: Order! The Leader of the Opposition must address himself to the Bill.

The Hon. R. THOMPSON: I am speaking to the Bill inasmuch as it is this Government that has created unemployment; it has failed to do its job. It is falling now and will continue to fail to reduce unemployment. It should abdicate now, as a matter of fact, and permit a decent Government to return to carry on the good work it was doing in maintaining full employment. The Tonkin Labor Government did not have the problems this Government has brought on its shoulders through lack of initiative.

The PRESIDENT: Order, please! I must point out to the Leader of the Opposition that this Bill makes provision for some Government instrumentalities to pay a certain percentage of their earnings into Consolidated Revenue. Will the honourable member please stick to the Bill?

The Hon. R. THOMPSON: Yes, Mr President, and in sticking to the Bill I will stick to what the Minister said on page 2852 of the current *Hansard*.

The Hon. W. R. Withers: This is scene II, is it?

The Hon. S. J. Dellar: You listen!

The Hon. R. THOMPSON: When the Minister introduced the second reading of the Bill this is what he said—

The estimated revenue yield from this measure in 1974-75 is as follows—

|                              | \$        |
|------------------------------|-----------|
| State Electricity Commission | 2 298 000 |
| Metropolitan Water Board     | 618 000   |
| Fremantle Port Authority     | 420 000   |
| Total                        | 3 336 000 |

It will be noted that our requirements are not as severe as those applying in South Australia and Tasmania.

We will examine that statement in detail, and conform with what the Minister said.

One aspect is harbour charges, which are prescribed in the various States of Australia. Western Australia has the only system where the wharves are controlled by a port authority; where the port authority hires the labour, and receives all kinds of fees that are applicable to the berthing, servicing, and stevedoring of ships. In other States the position is completely different. Therefore the revenue of the Fremantle Port Authority in real terms would be far in excess of the charges levied by other port authorities throughout the Commonwealth. Therefore the 3 per cent increase that will be levied on shipping entering Fremantle Harbour will have

a greater impact on shipping costs, the brunt of which will have to be borne by farmers, consumers, and by every person in Western Australia.

The Minister then went on to say—

... and it does give us some contribution to our Budget to help offset this very large loss we will make in respect of country water supplies in particular.

I think it was Mr Wordsworth who asked a question earlier this year when it was found that country water supplies were running into an annual loss of something like \$5 million. In mentioning that figure I am speaking from memory and I could be corrected.

It may be just as well if we also bear in mind that we have heard complaints about the farmers of Western Australia having to subsidise the home consumption price of wheat to the consumers. We do not mind assisting the farmers, because I think every farmer should have water connected to his property, if possible; and the same applies to electricity. Farmers are entitled to have these facilities. However I hope we will not hear again all the wailing we have heard over the past two or three years, that it is the farmers who are making all the contributions, because it can easily be seen that it is the metropolitan consumer—particularly in regard to water supplies and electricity supplies—who will be subsidising, through payments to the Consolidated Revenue fund, the losses that are accruing because of the facilities that have been provided in previous years.

That will always be so, because the position has been the same in regard to the railways and other facilities in past years. I would like to say that I am not criticising the farmers in any shape or form, but it could be said that the farmers should be contributing to the losses of the MTT.

The Hon. J. Heitman: They are subsidising the metropolitan wheat consumers to the extent of something like \$93 million.

The Hon. R. THOMPSON: In Western Australia?

The Hon. J. Heitman: Throughout the whole of Australia.

The Hon. R. THOMPSON: I think the figure the honourable member quoted previously for the whole of Australia was \$1 million. However, it can be seen, even from the Minister's own words, that the metropolitan consumer will now be subsidising the country consumer, and I have no complaint about that.

It was on the 27th July of this year that the Minister for Electricity (Mr Mensaros) said that he could not, in the foreseeable future, see any increase being made in the cost of electricity, unless something unforeseen happened. We can

appreciate that. What concerns me, of course, is the delay that has occurred with the work on the extensions to the Muja power house. I think the cost of these extensions was \$86 million and the work would involve the use of Western Australian products. We have now seen that project shelved, and this is an indication of the Government's attitude. The project has been shelved for at least 12 months, but it should be placed on the priority list, because when completed it would be serving the south-west of the State and, through the grid system, it is essential that we should use as much as possible of our local product for fuel, instead of relying on imported oil for fuelling the furnaces at the power stations. I will say, however, there has been some use of coal as a result of conversion to the use of coal fuel. A levy of nearly \$2.298 million to be placed on the SEC will sadly deplete the funds of that commission. That is a levy that will have to be made up, because the profitability of the commission has been completely removed. There will be no budgeting of services and no expansion if the commission has to pay this amount of money into Consolidated Revenue.

Therefore, in my opinion, this is a rather queer move to make especially when we are so short of electricity supplies. We were warned last winter that we could be in trouble with electricity supplies because of the increased demand. On occasions we did have some minor blackouts—mainly through faults, of course. We should however be supplementing our electricity supplies through the grid system, which is severely taxed at the moment. Instead, we see this Government seeking to take nearly \$2.300 million from the SEC without giving anything in return for the construction of urgently needed power houses which were approved by the previous Labor Government. So far as the SEC is concerned we have virtually reached a point of no return.

The Fremantle Port Authority may be in a slightly better position, because it can increase its wharfage and handling charges in many ways. The SEC, however, can only obtain extra revenue by making a direct increase in charges to the consumer.

The Metropolitan Water Board will also have to do something along these lines. During the life of this Government, at least, I would not be surprised to see annual increases in the cost of water and electricity. I hope these increases do not come about, but this is a Government whose word we cannot accept. John Citizen cannot accept its word, and there is no doubt that the Opposition cannot accept the word of the Government, because it has backtracked on every policy it has put forward. We will deal with those points as they arise.

Previously in this House I referred to the cost of the proposed traffic authority and the implementation of the Government's education policy. Statements have been made to the effect that it is not true to say the increases in charges and taxes are being made to enable the Government to implement some of its promises. However, those statements are truthful, because that is the situation in which we now find ourselves. I think the ratepayers, the taxpayers, and the voters of Western Australia should be able to look to a Government that has some honesty of purpose. This Government does not have any honesty of purpose. It has proved this by levying increases on over 40 charges. It has savagely increased these charges without taking into consideration the wherewithal of the people to meet them.

We have little opportunity to oppose this Bill, because it is a Budget submission.

The Hon. N. E. Baxter: Did you relate that statement to increases in hospital charges?

The Hon. R. THOMPSON: I did not mention hospital charges.

The Hon. N. E. Baxter: No, but you made a statement about increasing charges and people not having the wherewithal to meet them.

The Hon. R. THOMPSON: Over 40 charges have been increased.

The Hon. N. E. Baxter: Do you include hospital charges?

The Hon. R. THOMPSON: In some cases people cannot afford to be sick and go to hospital.

The Hon. N. E. Baxter: No-one can at any time, no matter what the time—now, yesterday, or 10 years ago.

The Hon. R. THOMPSON: They cannot afford it because the charges have been increased so sharply and, also, the amount they must pay into the Hospital Benefit Fund to insure their families adequately is something like \$110 a year.

The Hon. N. E. Baxter: What has brought that about?

The Hon. R. THOMPSON: It works out at about \$2 a week, which is a lot out of a working man's pay packet.

The Hon. N. E. Baxter: Can you tell us what has brought it about?

The Hon. R. THOMPSON: If the Minister wants me to go into the whole gamut of the charges, I will do so at a later stage. I cannot do so now because I did not bring with me all the material to enable me to speak on this Bill.

The Hon. N. E. Baxter: I am referring specifically to hospital charges.

The Hon. R. THOMPSON: I have a lot of information about the promises made by the Liberal Party and the National

Alliance and I could discuss them for some hours, but you would not allow me to do so, Mr President.

The PRESIDENT: As long as what you say deals with the Bill, I will allow you.

The Hon. N. E. Baxter: I am referring only to hospital charges. Can you tell me why they are so high? What is the reason for the increase?

The Hon. R. THOMPSON: Mainly the cost of services.

The Hon. N. E. Baxter: Yes.

The PRESIDENT: Order! I do not think hospital charges are mentioned in the Bill.

The Hon. R. THOMPSON: I thought the Minister would know that. He is the Minister.

The Hon. N. E. Baxter: I know all right. I was asking you.

The Hon. R. THOMPSON: The cost of services was creating some embarrassment to him, so much so that he cannot make the progress he promised he would make.

I was saying when that rude interjection was made—

The Hon. N. E. Baxter: I was very polite.

The Hon. R. THOMPSON: —that if I were in a position to vote this measure out, I would do so; but, unfortunately, because of the small number I have behind me, it is not possible to achieve this. However, I believe that Western Australians have been fooled, lied to, and led up the garden path by the coalition parties who were hungry to take on the Treasury benches. They now find it impossible to implement their policies without levying the most savage taxation programme and formula that Western Australia has ever witnessed.

THE HON. N. McNEILL (Lower West—Minister for Justice) [5.48 p.m.]: In his closing remarks the Leader of the Opposition said that we had lied—

The Hon. R. Thompson: That is right.

The Hon. N. McNEILL: —fooled the people, and led them up the garden path.

The Hon. R. Thompson: Yes.

The Hon. N. McNEILL: I know the Leader of the Opposition will criticise me for my comment, but how on earth can he make a charge like that today, knowing full well the reasons, and circumstances under which the Bill has been introduced, and on the very day on which the newspapers tell us that the Commonwealth Government will probably be introducing a mini Budget?

The Hon. R. Thompson: I have not read the papers today.

The Hon. N. E. Baxter: That is evident.

The Hon. R. F. Claughton: Is that something the Prime Minister said?

The Hon. R. Thompson: Is this speculation?

The Hon. N. McNEILL: It may well be speculation on the part of the newspapers, but we understand that a statement along those lines will be made shortly.

The Leader of the Opposition might have been at least as charitable as his leader in another place who, though he admittedly mentioned the extravagant electoral promises, did also acknowledge when referring to the Bill, that the reason for its introduction, and the introduction of Bills like it, is to avoid the necessity to break into capital funds for the purposes of revenue. The Leader of the Opposition in another place knows that by our providing revenue from this source, we avoid the necessity to use capital funds in order to fund a deficit. Mr Thompson should know that, too. The Leader of the Opposition in another place recognises and appreciates the fact; and for that reason he was prepared to support the Bill. Of course that is the reason for the introduction of the Bill. As I stated in my second reading speech, we will still face a deficit, despite the action we are taking under the Bill.

I agree with the Leader of the Opposition that a consequential effect of the Bill may be further charges on the people of Western Australia; but what alternatives are there? One alternative is to impose direct charges now. We are well aware of the increased charges which have been imposed already and we were no less reluctant to impose them than anyone else. In fact, in the circumstances we were probably far more reluctant than another Government might have been. However, we were forced into the situation—once again, the Leader of the Opposition will not like this—because of virtual instructions from the Prime Minister.

The Hon. R. Thompson: You do not like saying that, either!

The Hon. N. McNEILL: The Leader of the Opposition knows full well that this has been categorically stated and reported, and is absolutely authentic. I repeat that the Leader of the Opposition knows that.

The Hon. R. Thompson: Where will you get the \$200 million necessary to finance your election promises?

The Hon. N. McNEILL: I was proceeding to acknowledge that in the fullness of time increased charges may well be imposed on the community. We wish to avoid that by the introduction of the Bill because a contribution, such as the one to be made under the Bill, will soften the impact upon the people. It will certainly defer the impact to a later date, if in fact an increased charge is made at all. Surely that is a more preferable way to handle the situa-

tion than to impose additional charges on the people who are already considerably burdened.

The Hon. R. Thompson: Overburdened!

The Hon. N. McNEILL: They may be overburdened. I would support that view, but I repeat that the Leader of the Opposition cannot get away from the fact that we are in the throes of economic circumstances which are not of our making. Once again, he well knows it.

The Hon. R. Thompson: Can you tell us how the Queensland Premier, without increasing charges, will balance his Budget? That is his statement.

The Hon. N. McNEILL: I am quite prepared to believe that that is his statement; but, no, I cannot answer the question. At least the Government in Queensland has been in office for a little longer period than has been our Government here.

The Hon. R. Thompson: It did not make wild promises as your Government did.

The Hon. N. McNEILL: We will wait to see what transpires concerning the "wild" promises. I can recall that on another occasion the Leader of the Opposition stated that if the Government found it was not able to fulfil its election promises, it ought to be man enough to say so. Yet, today he has in fact criticised the Government for not having put its promises into operation.

The Hon. R. Thompson: I said that you lied to the public to gain office.

The Hon. N. McNEILL: I ask the Leader of the Opposition to be a little consistent.

The Hon. R. Thompson: I think you should be honest, and I would acknowledge that honesty if you said you could not put your promises into operation.

The Hon. N. McNEILL: When he believes that plans are being shelved, the Leader of the Opposition criticises the Government, and he criticises the Government equally when it fulfils one of its promises.

The Hon. R. Thompson: How many things have you shelved up to date?

The Hon. N. McNEILL: To return to the Bill, as the Leader of the Opposition will recognise, the contributions to be made are something new in Western Australia. They certainly have been made in other States by equivalent semi-governmental bodies.

The Leader of the Opposition has stated that the contribution to be made by the SEC will cut very severely into its reserves. This is true and perhaps it may affect its capacity to expand and to proceed with developmental works in the future. I am prepared to accept that maybe that will be the position; but let us take the suggestion a little further. One of the reasons for the SEC's inability to proceed with its plans is the difficulty of loan-raising in Australia. I wonder whether the Leader of the Opposition would be prepared to

acknowledge why the raising of loans is difficult. Have we any confidence that a semi-governmental instrumentality, such as the SEC, will be able to raise the necessary loans in the future in order to finance works? Of course not.

The Hon. S. J. Dellar: No, because they cannot pay as high an interest rate as is offered by others.

The Hon. N. McNEILL: The cost of those loan-raising is frightening.

The Hon. R. Thompson: What was it short of in the last loan? It has just closed a loan.

The Hon. N. McNEILL: I cannot supply the information requested by the Leader of the Opposition, but his question has no relevance to what I am saying.

The Hon. R. Thompson: Of course it has.

The Hon. N. McNEILL: Obviously the Leader of the Opposition refuses to acknowledge the truth of the situation.

The Hon. R. Thompson: The truth of the situation is that I asked a simple question.

The Hon. N. McNEILL: To return to the point, why is it that this money is in such short supply? It is in short supply for the reason that the total liquidity problem faces the whole of Australia.

In closing, let me say that even though the Leader of the Opposition and those who support him do not acknowledge this fact, at least the rest of the population in Australia acknowledges that the responsibility can be sheeted right home to the policies of the Federal Government.

The Hon. R. Thompson: I thought you would get back to that.

The Hon. N. McNEILL: Indeed I will, because where else can the blame be placed? I am almost provoked to refer to the fact, although perhaps under the circumstances I should not be, that mention has been made of unemployment, and the Leader of the Opposition referred to all the things we said when his party was in office.

I also have a memory of what the members of the Opposition said in this House in relation to unemployment levels when the coalition parties were in office in Canberra. They put on a great show concerning the dreadful unemployment level.

The Hon. R. Thompson: We always blame the State Government.

The Hon. N. McNEILL: I think members opposite may have even moved motions on the subject. However, what do they say today? They say that they had full employment. They also said that the unemployment in Australia was due to the policies of the Liberal Federal Government. Are members opposite prepared to admit that the present record unemployment

level is due to the Commonwealth Government? Of course they are not. However, I am straying, and if I do so too much you will call me to order, Mr President.

The Hon. R. Thompson: How could the Tonkin Government be blamed for the unemployment situation? You blamed it all the time.

The Hon. N. McNEILL: I am sure that the side of the House on which one sits at any particular time makes a difference. The Leader of the Opposition will acknowledge that.

The Hon. R. Thompson: I have always blamed the State Government.

The Hon. N. McNEILL: When our parties were in Government in Canberra, members opposite blamed them for the unemployment situation.

The PRESIDENT: Order! The Minister has had the same latitude as the Leader of the Opposition.

The Hon. N. McNEILL: I am grateful for that latitude, and I return to the subject of the Bill. I am glad that although the Leader of the Opposition has been critical of the Bill, he is at least prepared to support it.

The Hon. S. J. Dellar: Reluctantly support it.

The Hon. N. McNEILL: I commend the Bill to the House.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

Bill read a third time, on motion by the Hon. N. McNeill (Minister for Justice), and passed.

*Sitting suspended from 6.02 to 7.30 p.m.*

## **FACTORIES AND SHOPS ACT AMENDMENT BILL**

*Second Reading*

Debate resumed from the 31st October.

**THE HON. D. W. COOLEY** (North-East Metropolitan) [7.32 p.m.]: The Opposition opposes the principal part of this Bill which relates to the extension of shopping hours in certain country areas which are defined as holiday resorts. Other parts of the Bill will receive our support. I refer to that part which complies with an ILO convention, and another which establishes an advisory committee to supplement the committee already established under the Act. We are in full support of those parts.

However, that part of the Bill which deals with the extension of trading hours is completely opposed by the Labor Party

on the grounds that it is contrary to our policy and to the wishes of the union concerned with the employees of those shops the hours of which it is proposed to extend. We believe this part of the Bill is also contrary to the wishes of a large number of employers and shopkeepers, particularly in large country towns.

We feel this move is not necessary under the circumstances. There has not been a great deal of demand for a Bill such as this. Certainly it will have an inflationary effect in the towns which will be affected, and this can and will result in a degree of hardship being placed upon employers, employees, and the townspeople.

We are opposed to the Bill also on the ground that it was introduced without any meaningful consultation with the principal union concerned.

We believe the passing of the provisions to extend shopping hours will conflict with a motion recently passed in this House regarding the monetary hardships being experienced by people in country areas. I refer, of course, to the motion introduced by the Hon. A. A. Lewis, which received the approval of this House.

Our assertion that the Bill is not necessary is based on the fact that all small shops in country areas—and I am sure all holiday resorts would have such small shops—at present have trading hours which cater fully for the needs of holidaymakers. The present Act allows exempted shops—or small shops, as they are known—which sell the requirements of holidaymakers to remain open from 6.30 a.m. until 11.00 p.m. The proposed amendment will enable holidaymakers to purchase such goods as clothing, hardware, drapery, furnishings, and floor coverings. For the life of me I cannot understand how we will add to the enjoyment of holidaymakers by making such goods available.

My leader has been kind enough to provide me with a memo conveyed to the Assistant Under-Secretary for Labour in 1973, in respect of this matter. The memo is from Mr R. P. Barry, Acting Deputy Chief Inspector of Factories and Shops. It is dated the 3rd October, 1973 and reads as follows—

Over the years numerous representations have been received regarding extended trading hours in country towns and other tourist resorts.

These proposals have been frequently examined by the Hon. Minister for Labour and by the Retail Trades Advisory and Control Committee—

I assume that is the committee which is established under the parent Act. To continue—

—and their respective attitudes are that the needs of shoppers in these towns are adequately catered for out-

side normal trading hours, by small shops, exempt shops and privileged shops, and because it is considered that the shopping facilities now available are reasonable, approval has not been given for the trading hours to be extended.

Lists of the items permitted to be sold by these shops are attached, and these include the suggested list of exempt goods currently under consideration.

There is no justification for the extension of the trading hours of shops selling such items as furniture, hardware, electrical goods, clothing, etc., as it is doubtful if the tourist would require to purchase such items outside the normal trading hours. If anything was purchased it would have to be easily transported, and the main interest, it is submitted, for tourists would be items of small easily carried souvenir nature. The suggested list of exempted goods, does, in my opinion, meet these needs.

It would be extremely difficult to define which towns are tourist resorts and just what tangible benefits would be obtained from any extensions. In addition to this, the Shop Assistants' Union is at present opposed to any proposal to extend or alter trading hours.

Attached to the memo is a list of items which are available during the hours exempted shops are permitted to be open. The list includes such items as confectionery, fruit, vegetables, refreshments, cooked meats, pipe tobaccos, cigarettes—even snuff boxes—meals at restaurants, fish, oysters, and books. The list is comprehensive and includes all the items which are at present available under the small shops provision. Therefore it is difficult to understand the necessity to extend the trading hours of shops in country areas when the goods which will become available under the provision are those which are of no use at all to people on holidays.

The necessity to provide extended hours to cater for people on holidays is another puzzling feature, because when people are on holidays they have more time in which to shop than they have normally in the course of their employment. I know some people in our community think this is a good idea. People who have been overseas, and particularly to America, and have experienced late shopping hours have returned and boasted they could buy a suit of clothes at 3.00 a.m. in America. But what is so wonderful about that? Why should it be necessary to have extended trading hours in holiday resorts when all the facilities holidaymakers require are already available during the normal hours?

I submit that people do not take holidays in order to shop at night. They go to a holiday resort to enjoy themselves; and I believe the thought furthest from their minds is to engage in a shopping spree. On the contrary, I feel a holiday-maker would want to get himself and his wife and family away from that atmosphere whilst they are on holidays.

There is a limit to the amount people can spend while they are on holidays, and most of their money is spent on providing accommodation in addition to the cost associated with the rent and upkeep of the home in which they normally live.

I feel the introduction of this legislation will create an inflationary situation—a situation which we are all so strenuously trying to avoid. From the information I have been able to obtain from the Shop Assistants' Union, it seems to me the people who want extended hours are mainly small shopkeepers in large towns who wish to compete after hours against larger shops in those towns. These smaller shops carry the items to which I have referred and which will become available after hours if the Bill is passed.

I think I should draw attention to the extra charges which will be levied in such towns if these shops open during the hours proposed in the Bill. As I understand the situation, the Minister may make provision, upon application from a shire council, to enable a shop to remain open during hours determined, perhaps, by the council. As I understand the amendment, no restriction at all will be placed on the hours such shops may remain open. What will be the situation in respect of the payment of wages? The shop assistants' award contains no provision for the payment of normal rates after 5.30 p.m., or for work commenced before 8.30 a.m. So employers will have to pay penalty or overtime rates, and the overtime rate for night work is time-and-a-half on weekdays, and on Saturdays after midday employees receive double time. It naturally follows that the prices of articles on display in shops open for extended hours will be higher than they are at the present time. I daresay once the prices have been inflated they will not be restored after the holiday period is over.

Another point is that the additional cost will apply not only to holidaymakers, but to the local people: to the low-income earners—about whom this House was so concerned a few weeks ago—and also to pensioners.

The Hon. T. Knight: This Bill does not make it obligatory for shops to open for extended hours.

The Hon. D. W. COOLEY: That is true, but it will naturally follow that shopkeepers will be forced to open if their opponents open at night.

The Hon. T. Knight: Wouldn't you say the local traders would not approach the council to make representations on their behalf if they were going to have to pay overtime and people would not buy at night?

The Hon. D. W. COOLEY: Then what is the purpose of the Bill?

The Hon. T. Knight: It enables traders in country seaside resorts to open if they wish to.

The Hon. R. Thompson: That is not a bad second reading speech sitting down.

The Hon. T. Knight: It will just give the people in these seaside resorts the opportunity to have this facility available to them.

The Hon. D. W. COOLEY: The Minister in his second reading speech made a statement which was quite inconsistent with the principles expounded in a motion passed in this place a few weeks ago; a motion moved by Mr Lewis and supported by his colleagues. The Minister stated—

No doubt arguments may be advanced on this proposal as to the impact upon staff, management, and the inflationary effects upon retail prices by the payment of penalty rates of pay in accordance with industrial awards—

But here is the rub—

but public convenience is also of paramount importance.

The Minister considers that it is of paramount importance for people who are on holidays to be able to buy such things as clothing, hardware, drapery, and furnishings, and, by the Minister's own admission, this will have an inflationary effect. Nobody could convince me that after the 15-week concession period is over, prices will return to their previous levels; that is not a fact of life; once prices are established, they remain at such level, or higher, forever and a day.

The point I was making before the interjection is that this Bill will hit the low-income workers and the pensioners—the people least able to afford it—in these country towns. The legislation is ill conceived. I do not think it has been brought forward as a consequence of any consensus of opinion taken among people in these areas. It certainly was not introduced as a result of consultation with the unions because members of the Shop Assistants Union, with whom I have spoken, are completely opposed to this proposition; they will be the hardest hit in the community. That union opposes this Bill on many of the grounds I have enunciated tonight.

Mr Knight pointed out that the Bill provides that the extended hours will be optional; this is true. But this does not mean there will not be night trading. I

think an example of this is the situation which applied years ago in respect of garages in the metropolitan area, where it was optional for garages to open until 7.00 p.m. on Saturdays and Sundays. However, it was found that every garage had to open, in order to keep up with its competitors. It would be quite beyond my comprehension to think that three or four small shops in, say, Bunbury would open at night-time without the larger shops such as Coles, Woolworths or Boans opening their doors. The larger shops would not allow their smaller competitors to have a picnic in respect of sales without wishing to join in. They would have to open their doors to compete and they would be required to employ their workers at the rates I have already indicated to the House; namely, time and a half. There is no way in the world that these shops could pay time and a half without increasing the costs of goods and, in that sense, the Bill is inflationary.

Many other worrying aspects are associated with this measure. One of the fears of the union is that the amending Bill does not provide for the protection of female staff after they finish work at night. Once the local shire has applied to the Minister and received permission for the shops under its control to open at night—the Minister could give permission for the shops to be open until 12.00 midnight—the situation will arise where young girls of the age of 15 or 16 in these remote country towns will have to find their way home, sometimes over a distance of five or six miles without public transport. There is a real possibility of their being accosted on the way home. That point has not been canvassed or discussed by the Government with the people involved.

We all remember the policy of the Liberal Party before it came to Government in respect of industrial unrest; members opposite were going to co-operate with the unions in every respect.

The Hon. Clive Griffiths: How do the unions in the Eastern States react to this sort of thing? What are their feelings?

The Hon. D. W. COOLEY: I do not know whether the unions in the Eastern States approve.

The Hon. Clive Griffiths: What do the trade unions in the Eastern States think?

The Hon. D. W. COOLEY: I would imagine—

The Hon. Clive Griffiths: You would know for sure.

The Hon. D. W. COOLEY: No, I would not know for sure; I know the union movement here is strongly opposed to the Bill.

The Hon. Clive Griffiths: I do not think there would be too many people in Western Australia who could say with more

surety than you what is the position in the Eastern States. You would know better than anybody else.

The Hon. D. W. COOLEY: That is the honourable member's opinion; he can tell us all about it later, if he wishes to speak.

The Hon. S. J. Dellar: Why don't you stand up and tell us?

The Hon. Clive Griffiths: Mr President will allow only one speaker at a time.

The Hon. D. W. COOLEY: I wonder how the policy of the Liberal Party in respect of industrial unrest can be justified when considering a Bill of this nature. In regard to industrial unrest the then Leader of the Opposition stated—

Nevertheless, we will insist that all parties involved in dispute must abide by the "fair go" principles of arbitration and conciliation.

We will stand by these principles firmly, without exception.

Several Bills were presented during the time of the Tonkin Government. Some of these were rejected—rightly or wrongly—by the Upper House on the grounds that the matters involved should be dealt with by the Arbitration Commission. Why is not a matter such as this, which will affect the employment conditions of many people, dealt with by the Arbitration Commission? That is what is proposed in the policy of the Liberal Party. It is just another instance of how untrue are many of the statements contained in this booklet.

The Shop Assistants Union cannot be described as a militant left-wing union of the kind referred to in this booklet by the now Premier. It is a benign union which has played the game all along the line in respect of conditions of employment. Its members were not present outside Parliament House when the last stoppage was called; they were at work and should have earned the approbation of members opposite. Yet they are to be put into a situation which will affect their conditions of employment.

The Hon. T. Knight: Do you honestly believe that before they applied to open their shops the owners would not consult the interested parties?

The Hon. D. W. COOLEY: This Bill does not apply only to country areas. If members read the Minister's second reading speech, they would see that the Bill could infringe on the situation in the metropolitan area. I think it is only fair and reasonable to consult members of this union in the manner laid down in the Liberal policy document before proceeding with this legislation. Is this not hypocrisy? The policy goes on to say—

While standing by principle in the interests of the public, we will also stand by the principles of unionism.

It is not reasonable to force people to work extended hours. At present, unionism is based on the eight-hour day, although



we hope it will be reduced shortly. However, this Bill does not provide for that; it will force people to work at overtime rates.

The Hon. W. R. Withers: Not necessarily.

The Hon. D. W. COOLEY: Why?

The Hon. W. R. Withers: Not necessarily.

The Hon. D. W. COOLEY: The honourable member would say that they do not have to work there but could find another job somewhere else. But he should know better than anyone else that jobs are not easily found.

The Hon. W. R. Withers: You could have shift staff.

The Hon. D. W. COOLEY: The situation could be reached where people have to leave their homes and families to work in Perth. If Mr Withers cares to look at the shop assistants' award, he will see that it makes no provision for shift work and that even if there were such a provision, penalty rates would have to be paid which would jack up the price of all goods sold under such conditions.

The Hon. V. J. Ferry: What happens in New South Wales?

The Hon. D. W. COOLEY: We are talking about legislation for Western Australia. If it is right in New South Wales, does that mean it is right here?

The Hon. Clive Griffiths: Yes, it does.

The Hon. N. McNeill: Sir Charles Court mentioned that we would bring in such a measure.

The Hon. D. W. COOLEY: I did not see that. The policy continues—

We believe in unions and will endeavour to assist and encourage unions with responsible policies to fulfil their roles.

I submit that the Shop Assistants Union is a responsible body which has the respect of many people. However, in this Bill, its members have been completely disregarded by the Government. Before the Government proceeds with this measure, it should at least go to the Shop Assistants Union and perhaps consult some of the employers in the country towns and ask them whether they want such legislation. I am sure they will not want it.

The Hon. N. McNeill: That is not true.

The Hon. D. W. COOLEY: However, whether or not they have late night trading will depend on the local shire councils. Unless an application is made, there will be no late night shopping.

The Hon. T. Knight: Local government authorities could not force them to open.

The Hon. D. W. COOLEY: I understand that completely. I have read the amending Bill; I would not be speaking otherwise.

The Hon. T. Knight: That is right, and you must admit that unions would discuss overtime rates and everything else beforehand.

The Hon. D. W. COOLEY: The overtime rates are contained in the award; there is no need to discuss them. They would have to be paid if the shops opened. In large country towns which experience a great influx of visitors during holiday periods, small shops will be tempted to open and will make application to their shire council which, in turn, will make application to the Minister. It is up to the Minister to approve the application. However, if three or four small shops open, it will force the bigger shops to do likewise in order to compete. There can be no question about that. I believe that during late night trading goods other than those I have stipulated will be sold by these large stores.

To return to my first point, ample provision exists in these country towns for the holidaymaker. Perhaps the Minister may be able to tell me otherwise, but this Bill will not increase the enjoyment of holidaymakers merely by allowing shops to open at night. People who go on vacation do not go away to tramp around the shops at 9 o'clock or 10 o'clock at night. They want to go swimming, fishing, boating, etc.

The Hon. Clive Griffiths: Then you have never been away with my wife.

The Hon. D. W. COOLEY: The unions are worried that this Bill is the thin edge of the wedge and that its provisions could affect parts of the metropolitan area. Let us take the example of local authorities in the areas of Safety Bay, Rockingham, Yanchep and other near holiday resorts being tempted to apply for late night trading. We could then have an influx of people from the city into these areas and the next thing would be that shops in the city area would want to operate on the same basis. The result of this would be that the legislation would promote precisely what members opposite have blamed the Australian Government for, ever since it has been in office; namely, inflation. Members opposite cannot refute my statement, as there is no doubt that it is correct.

The Hon. W. R. Withers: You have not had any complaints from shop assistants in the North Province about this, have you?

The Hon. D. W. COOLEY: I do not know.

The Hon. W. R. Withers: You would not have had one complaint.

The Hon. D. W. COOLEY: There are no holiday areas in the North Province.

The Hon. W. R. Withers: Come off it!

The Hon. D. W. COOLEY: The honourable member must be referring to Pilbara and the Kimberley; I would not have

much knowledge of what is happening in that area. I have no doubt that people will be opposed to it. However, I am not putting the case for the people in that particular area; I am putting the case for the people about whom the members opposite profess to be concerned; namely, the workers, the pensioners and the people least able to afford price increases.

The Hon. W. R. Withers: Nobody in my Province has complained to me about it.

The Hon. D. W. COOLEY: They have not experienced it yet, but they will complain when they have to pay higher prices.

The Hon. W. R. Withers: I bet not one person in my Province will complain about this Bill.

The Hon. D. W. COOLEY: If they do, Mr Withers will not tell us about it.

The Hon. W. R. Withers: The President of the Trades and Labor Council should realise that I am trying to trap him. This Bill will not apply to the North Province. The honourable member should have done a bit more homework on the legislation.

The Hon. D. W. COOLEY: Perhaps the honourable member could speak later and refute everything I have said on this question. He has expressed a great deal of concern to me privately and to my organisation in writing about the high prices being paid by people living in his Province.

Yet, members opposite will force the people of some other areas to pay high prices.

That is in keeping with the attitude of this Government towards the trade union movement, despite all the high-sounding references in the Liberal policy speech, as to how it was prepared to co-operate, and how it would have meaningful consultations between unions, employers, and the Government in an effort to ensure that Government economic, financial, social, and development objectives were better understood.

The Hon. R. Thompson: The Liberal Party will say anything to get elected.

The Hon. N. McNeill: The Liberal Party policy must be a really good document for members opposite to read so often from it.

The Hon. W. R. Withers: Mr Cooley should refer to the policy speech and to the comments of the present Premier dealing with the new life style, in the second paragraph.

The Hon. D. W. COOLEY: That typifies the attitude of the Government. When we look at the composition of the committee that is to be set up under the provisions of the Bill, we find it has disgraceful representation. I wonder whether the Government is prepared to agree to an amendment in the Committee stage to alter the composition. Perhaps after

hearing my comments the conscience of the members of the Government might be pricked.

The committee is to comprise the three existing members of the Retail Trade Advisory Committee, which include the Under-Secretary for Labour as chairman, a person representing the occupier of shops, and a person representing the consumers. The five additional members to be appointed by the Governor are to include a representative of the local authorities; a representative of the tourist industry; a representative of the employers in shops; a representative of the employees in shops; and a representative of the purchasers of goods from shops.

When we break down this composition we find that the eight members are to comprise a representative of the local authorities, a representative of the tourist industry, and the Under-Secretary for Labour as chairman. We then have the representative of the occupiers of shops, and the representative of the employers in shops. The Bill refers to a representative of the Employers Federation.

The Hon. T. Knight: And one from the Trades and Labor Council.

The Hon. D. W. COOLEY: Can anyone tell me the difference between an occupier of a shop and an employer? I imagine there will be two representatives of the employers on the committee. There is already a consumers' representative on the existing committee, but of the additional five members of the proposed committee, one will be representing the purchasers of goods from shops. Is that representative not a consumer? I say there will be two consumer representatives on the committee.

The Hon. Clive Griffiths: They are the most important ones to be affected.

The Hon. D. W. COOLEY: They are, but they would be no more important than the people who man the shops and do the work. If the workers in the shops are not the most important sector in the operation, then at least they are equal in importance to the other sectors involved. What do we find? We find that the employees in shops are to be represented by one member to be nominated by the Trades and Labor Council.

The Hon. J. Heltman: The consumers' representative can be an employee.

The Hon. D. W. COOLEY: The consumers' representative will represent the purchasers of goods in shops, but he is not to be appointed directly by the unions. What is wrong with having a representative of the unions, and a representative of the Trades and Labor Council on the committee? That would be the same as having a consumers' representative. The occupier of shops is an employer, but then provision is made in the Bill for a representative of the Employers Federation.

Out of the eight members only one is to represent the workers; and he is to be nominated by the Trades and Labor Council. I suppose members opposite think that is justice. Such a composition seems to be completely in conformity with their policy in not granting representation to the workers concerned, and even if they are granted representation such representation is in the minority.

The Hon. W. R. Withers: It does not necessarily follow that the representative of the purchasers will be a consumer.

The Hon. D. W. COOLEY: I appeal to the Minister to look at this aspect of the Bill again, to see whether the position can be rectified. There should be two members on the committee to represent the workers.

The Hon. J. Heitman: What about the employers?

The Hon. D. W. COOLEY: The employers have two representatives.

The Hon. J. Heitman: The employers work harder than anybody else in the industry.

The Hon. D. W. COOLEY: They may do, but an employer might employ 100 people in one particular area. Surely the 100 people should have fair and reasonable representation on the committee. I appeal to the better judgment of the Minister who introduced the Bill to see whether justice can be done by amending the composition of the committee, because the proposal in the Bill is not a just one.

Another part of the Bill to which I made reference earlier deals with the application of the International Labour Organisation Convention which ensures that an inspector of premises takes an oath in respect of secrecy. This is already provided for in the Act, but I understand from the Minister's second reading speech that different wording has to be inserted to enable the provision to comply with the ILO Convention. In this respect we support that part of the Bill.

We on this side hope the House will look upon itself as a House of Review, and will use its powers of review. We hope that on reflection Government members will vote against the Bill, because it does not seem to serve very much purpose.

On the grounds of consistency, members who supported the motion recently moved by Mr Lewis on the attitude of the Federal Government to rural areas should oppose the Bill because of its inflationary effect. There is no question that it will have an inflationary effect on country towns. It will hit not only the tourists, but also permanent residents in the area and people on low incomes who can ill afford the additional charges on the goods they purchase.

I do not think the holidaymakers require this legislation. Certainly the big shops do not want to be saddled with

higher costs. The legislation seems to cater for a very small minority in the State. For that reason alone we should oppose the Bill.

In view of their support of the motion recently moved by Mr Lewis, I hope members supporting the Government will not run the risk of being labelled as hypocrites by voting for the Bill.

**THE HON. R. THOMPSON** (South Metropolitan—Leader of the Opposition) [8.08 p.m.]: The memorandum which Mr Cooley has read out was compiled as a result of an inquiry I made of the previous Minister for Labour (Mr Harman) prior to my attending a meeting of country tourist bureaux which took place in Esperance last year. The delegates attending that conference ranged from the representatives of bureaux at Exmouth to those in the south-west, and Kalgoorlie in the east.

I obtained that information mainly because of an item which was listed on the agenda for discussion. I remained at the conference for the two full days it sat. When the item arose I read out the memorandum in detail to all concerned. I was requested to make it available to delegates. I did that, and the memorandum has been returned to me. I shall not quote names, but it is quite easy for anyone to determine the source from which it was returned to me; the person who returned it is the secretary of a prominent country tourist bureau. This lady circulated the information throughout the organisation. I have not received any further submissions since then. I take it that what I did tell the conference was accepted.

One thing which the Government has failed to do in presenting the Bill is to point out the need for extended trading hours in declared country tourist resorts. In such centres it is possible at the present time for a person to buy almost anything outside of normal trading hours, except furniture, electrical goods, and hardware. Other than those commodities a person can buy just about anything, whether he be a tourist or a local resident.

I have studied in a very responsible way what is needed. Members representing country electorates should consider the effect of the declaration of a country tourist resort on the small neighbouring towns. I know that in the North Province Mr Withers would not experience the same problem because the distances are vast between the centres. However, in the south-west and the great southern a great disservice would be done to local storekeepers by the passing of this legislation.

If Albany is declared a tourist resort and becomes the centre for late night or Saturday afternoon trading, the local trade at

Denmark would be adversely affected. The same would apply in the case of Bunbury being declared a tourist resort; this could have an adverse effect on Busselton.

In declaring certain centres as tourist resorts we would build up those centres by permitting them to engage in Friday night and Saturday afternoon trading, but at the same time we would be doing a great disservice to the storekeepers of the neighbouring towns who provide a service for almost 365 days of the year—and generally in and out of normal trading hours. It is in regard to these people that I express deep concern.

Mr Withers would be aware of one instance I have in mind. On one occasion I met his father in Surfers Paradise. I found that from Southport to Tweed Head—a distance of 23 miles—a conglomeration of shops and shopping centres extended. What do we find in such areas? We find that one can buy a suit on a Sunday afternoon or even Sunday night. In the main these are one-man shops. In those areas the same chain stores as we find in Western Australia also operate. Perhaps I should say the same chain stores, with the exception of the grocery stores which have names familiar to us in Western Australia. By the same token these shops do not operate beyond normal trading hours, because it is not economical to do so.

The system was tried but it did not work. I have been to the Gold Coast several times and from my experience only the small shopkeepers open their shops. I have spoken to them and usually, while open for after-hour trading, they are dressing their windows and pottering around their shops. They have to stay open to compete with their competitors down the street. Over a distance of some 23 miles the shops cater for tourists, but it is found that the big stores do not stay open. The proprietors of these smaller stores have to work long and oppressive hours in an effort to make a living.

We have to assess whether or not we are doing the right thing. In October, of last year, only clothing, hardware, and electrical items could not be purchased after hours in country towns. Those were the only goods which exempted shops could not sell after hours. Even in the metropolitan area we have Four Square stores which trade under the provisions relating to exempted shops. Those stores are operated by no more than two people—usually a husband and wife team—and they do not employ labour unless one of the two people concerned is ill. In the area in which I live there is quite a large store run by two people. It is virtually a self-service store, and it normally opens at about 8.30 a.m., even on Sundays, and closes at 10 or 11 o'clock at night. The Act provides for that arrangement at the present time.

Mr Cooley mentioned the trade union point of view, when he spoke to the debate, but my main concern is the viability of small shops in country towns, such as Greenbushes, Mullalup, and Balingup. I could even refer to Boyup Brook which I do not think would be classified as a tourist town. If a town, adjacent to any of the towns I have mentioned, became a tourist resort it would attract people from the surrounding areas, whether it be by means of sporting functions or anything else. If the shops in those towns are able to remain open, after hours, that will be to the disadvantage of the small shopkeepers who, we have been told, should have some protection—with which I agree.

I happen to be friendly with a man who is the owner of a very large chain of grocery stores. So that he will not be confused with another person, I will qualify my statement by saying that his stores are situated entirely in Western Australia. However, over the years I have discussed trading hours with my friend and he is totally opposed to any extension, whatsoever, of trading hours. Even the Retail Traders Advisory Council, and the Retail Traders Association are totally opposed to any extension of trading hours for the simple reason that costs and wages bills will increase, and because of staff shortages.

Members must not run away with the idea that shop assistants like to work on Saturday mornings, because they do not. From my discussions with the person to whom I have referred it is obvious that the reason for such a great turnover of shop assistants is that they do not like to work on Saturday mornings. If we are to have an extension of trading hours throughout our country regions—and I now refer to regions rather than the small country towns—there will be associated problems with regard to staff.

I will now refer to Mandurah, a town which already has extended shopping hours—or different shopping hours. From memory, I think only three towns in Western Australia have different shopping hours and they are Mandurah, Leonora, and Sandstone. It would be foolish of the Mandurah Shire Council not to support local store owners because Mandurah is a tourist town. Let us consider the effect on small shops in adjoining areas such as those at Dawesville, Miami, Ravenswood, and Pinjarra if the Mandurah Shire Council supported its retail traders and requested the area to be declared a tourist resort. The effect on shops in adjoining areas would be considerable. I have mentioned Mandurah as a hypothetical case, but the same situation could arise in many regions.

The retail traders in Denmark would probably go broke if Albany were declared a tourist area. Stores in such areas do

not cater for tourists in the true sense of the word; they cater for the residents of the town concerned, or the people who visit that centre. I suppose that anyone who travelled to such a centre could be classed as a tourist. It will be difficult actually to define a tourist.

It could be claimed that a person who travelled from the metropolitan area to a country area, or a person who travelled interstate or who arrived from overseas, would qualify as a tourist. When I was Minister for Tourism I studied in some detail the spending habits of tourists from overseas, and tourists within Western Australia itself. It is strange, but true, that tourists do not spend much money on other than services which they must have, such as transport and accommodation. Not a great sum of money is spent on goods and souvenirs. A tourist usually desires to see a region and enjoy the beauty of the area. He wants some entertainment, food, liquid refreshments, etc. However, when it comes to buying goods he spends very little.

The reverse could apply to a tourist travelling with a caravan. If he travelled to Exmouth, Port Hedland, Broome, Derby, and on to Kununurra he would usually buy his goods as he needed them.

I cannot see any good reason for the introduction of this legislation. The Minister, in his second reading speech, did not give us any real reason for the introduction of the legislation. When the Minister replies I would like him to tell me his reason for the introduction of the legislation. I would like him to tell me what goods cannot be procured in country towns at the present time—inside of or outside of normal trading hours—which a tourist would need. A tourist does not buy furniture or bulky electrical goods, and they are the only goods which are not exempted at the present time. I would like an explanation from the Minister with regard to the intention of the Bill; its possible effect on small shopkeepers in outlying towns which could be declared tourist resorts; and what goods a tourist would need which cannot be purchased at the present time.

**THE HON. W. R. WITHERS (North)** [8.27 p.m.]: I had no intention of speaking to this Bill because it does not apply to the North Province at all. However, I will have something to say to clarify a few points for Mr Thompson, and other members.

As most members in this House are aware, the Factories and Shops Act does not apply above the 26th parallel, and there are good reasons for this. Most members are also aware that I do have a family business in Kununurra which is now managed by my wife. In Kununurra, which is a tourist town, we have adopted a system of extended trading hours which works extremely well. The system is exactly the same as that proposed by the

Bill now before us, and it will allow other businesses to operate as we do in Kununurra.

**The Hon. D. W. Cooley:** Are penalty rates paid in Kununurra?

**The Hon. W. R. WITHERS:** Of course, although the Factories and Shops Act does not apply above the 26th parallel, that does not mean to say we adopt our own conditions for payment.

**The Hon. D. W. Cooley:** Do you pay penalty rates?

**The Hon. W. R. WITHERS:** We have a contract with the people who work for us. Each shop has its own particular system.

**The Hon. D. W. Cooley:** How many people are employed in the shops?

**The Hon. W. R. WITHERS:** It depends on the shop; some shopkeepers would pay penalty rates.

**The Hon. D. W. Cooley:** And then overcharge for their goods.

**The Hon. W. R. WITHERS:** No, not because of penalty rates.

**The Hon. R. Thompson:** Perhaps they just overcharge all the time!

**The Hon. W. R. WITHERS:** It appears Mr Cooley has a wrong concept of how retail businesses are run. One cannot overcharge and put up prices just because one opens for an extra few hours.

**The Hon. R. Thompson:** I think I pointed out that the honourable member is referring to a situation different from that which I looked at.

**The Hon. W. R. WITHERS:** I have said that we have a different set of circumstances; the major difference being that the Factories and Shops Act does not apply. By comparison, I am trying to show that what this Bill intends to do is, in fact, actually happening within the northern part of this State. As an example I have used my own home town.

In Kununurra the shopkeepers consult with each other within the Chamber of Commerce, and decide to have a late shopping night. The system has proved to be efficient and, in fact, the hours vary from season to season. Quite often, in small businesses such as ours, we do consult with the shop assistants to see whether or not different hours suit them. This can be done in a small town.

**The Hon. D. W. Cooley:** On this occasion the Government has not consulted them.

**The Hon. W. R. WITHERS:** Once again Mr Cooley is well off the line. If he will listen, I will analyse this for him.

**The Hon. D. W. Cooley:** I wish you had listened to what I said.

**The Hon. W. R. WITHERS:** I did. The people who operate small businesses in Kununurra consulted with the Chamber of

Commerce and asked whether it would be possible to have a late night shopping system. The Chamber of Commerce agreed to a trial if most of the business people wanted it. So our shop assistants were approached and asked whether, say, a Thursday night would suit them for late night shopping. It may have happened that the local progress association or some other organisation held meetings on that night, and in that case the business people would again approach the Chamber of Commerce for a late shopping night on a Friday or whatever the case may be. This type of negotiation can take place in a small town.

In most tourist towns the static population is relatively small.

The Hon. D. W. Cooley: What about Bunbury and Geraldton?

The Hon. W. R. WITHERS: In larger towns it would probably be necessary for more negotiation to take place. However, it is possible to reach agreement. What this Bill attempts to provide already operates very well in my home town at Kununurra. It is a good system and the townspeople enjoy it. I am now coming to the most important fact: some shopkeepers have said that they do not wish to open their shops on any night, and they have remained closed. This system has been operating for about seven years now. It commenced when we first decided that we must have a tourist industry within the town. The measure we are discussing also refers to the tourist industry. I think Thursday night was the first night chosen; after some years of operation this was changed to Friday night, but then later it was changed back to Thursday night. This depends on the needs of the people.

The Hon. D. W. Cooley: It does not give employees any choice.

The Hon. W. R. WITHERS: I would hate to have Mr Cooley in charge of a business. He would be a terrible man; a tyrant. I do not know how he thinks the shopkeepers treat their shop assistants—in most of these country towns many are family friends.

The Hon. D. W. Cooley: I have been employing labour for 20 years.

The Hon. W. R. WITHERS: The honourable member has read Karl Marx for too long and he thinks that employers are like the barons of feudal days. It may be that some shopkeepers would act in this way, but if they did they would have a high turnover of staff. We do not have this high turnover of staff in Kununurra.

I would like to make this important point without interjection. When the system first started some seven years ago, some shopkeepers elected not to open on Thursday nights. They said they would rather not open, and in general these particular stores have remained closed at night for all those years. Obviously this

decision has not affected their business or they would have followed suit and opened on Thursday nights. Those who decided to try late night trading found that it suited them; their staff were reasonably happy, and therefore they continue to open their shops.

I make the statement that the system set out in the Bill is already working in some parts of the north and it is working effectively. I hope for the sake of those traders in the south who do not already have such a system that this Bill will be passed to become an Act.

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

## STOCK DISEASES (REGULATIONS) ACT AMENDMENT BILL

### *Receipt and First Reading*

Bill received from the Assembly; and, on motion by the Hon. N. McNeill (Minister for Justice), read a first time.

## LIQUOR ACT AMENDMENT BILL

### *Second Reading*

Debate resumed from the 31st October.

**THE HON. GRACE VAUGHAN** (South-East Metropolitan) [8.35 p.m.]: This Bill has been introduced by the Government as a money-raising method. While the Opposition does not actively oppose it and we do not intend to move any amendments, we do have a few comments to make about it.

One of the outstanding features of the measure is the fact that the Government has not taken the opportunity to bring about some equity in the imposition of liquor license fees to enable all purveyors of liquor to pay the same rate. In the past, hotels and clubs have paid a liquor license fee of 5½ per cent, and taverns and stores have paid at the rate of 7½ per cent. In these days of rather more enlightened drinking habits, it seems to me that this measure provides a golden opportunity to ensure that the license fees are more equitable. One would think a Government which alleges to be so concerned with the equality of opportunity for private enterprise would have seized this opportunity to prove its concern when the Liquor Act is to be amended to raise money. However, we see that the license fee for taverns and stores has been increased by ½ per cent up to 8 per cent, and the license fee of 5½ per cent for hotels and clubs has been increased to 7 per cent.

I believe the major portion of the money which will come to the Government because of this amendment to the Liquor Act will be from the hotels and clubs. Why did not the Government reduce the

license fee payable by taverns and stores to the rate payable by hotels and clubs? I hope the Minister will say something about this matter when he replies, although in his second reading speech he stated that the differential is not to be seen as a permanent one. Instead of being so pussy-footed about this matter, the Government could have brought about equity in the payment of this license fee.

As the Minister said in his second reading speech, all other States—with the exception of Victoria where retail stores pay a small flat fee—charge a uniform fee to all purveyors of liquor. This fee does vary from State to State, but all purveyors in any one State pay the same fee. We see that the fee to be charged in Western Australia for stores and taverns will be equal to the highest fee charged throughout Australia. I suggest that an impost of 7 per cent—the average throughout the States—would have been more equitable.

We recognise that the Government is in difficulties in regard to raising money and this is one of the money-raising Bills that has been introduced this session. We cannot defeat the Bill, even though we oppose the ultimate use of the money. The Leader of the Opposition made this point very thoroughly when he spoke on the Public Authorities (Contributions) Bill. I believe we have given this theme enough of a hiding tonight, and I will not continue except to say that I would like to hear from the Minister as to why he did not take this opportunity to bring about some equity between the purveyors of liquor.

**THE HON. D. J. WORDSWORTH** (South) [8.40 p.m.]: I intended to get up to chide the Government a little about reducing the differential between the two types of licenses for purveyors of liquor while we have the present Bill before us. I did have a little conscience that I was about to chide my own Government.

**The Hon. R. F. Claughton:** You won't do it, we know.

**The Hon. D. J. WORDSWORTH:** However, after listening to the last speaker, I could get up to defend the Government's policy of retaining the 1 per cent differential. Where previously there was a 2 per cent differential between liquor license fees for taverns and stores as compared with those of hotels and clubs, this has now been reduced to 1 per cent. In his second reading speech the Minister for Justice said—

I mention in this respect that other States follow the practice of charging a uniform fee for all licenses, . . .

In considering legislation of this nature, it is difficult to justify the continuation of the existing 2 per cent differential, . . .

I looked into this matter a little further, and I obtained the report of the Licensing Court up to the 30th June, 1974.

**The Hon. R. F. Claughton:** It has a very good chairman.

**The Hon. D. J. WORDSWORTH:** We will see about that as we go through the report. I was attempting to get some idea of the difference made by this matter of 1 per cent or 2 per cent. Unfortunately in the report we find very few individual details of such things as license fees paid by hotels or clubs. Everything seems to be thrown in together. I found one reference which was of some help because it was stated that three hotels had a large portion of the trade and that some 68 hotels sold over \$200 000 worth of liquor. As there were 471 hotels in all, I was able to work out that the other 400-odd hotels had a turnover of something like \$70 000 each, and that the license fee paid by such hotels would be \$5 000. If we then consider a tavern selling the same amount of liquor, we see that the differential in license fees paid would amount to about \$700. I wonder what different conditions have to be complied with by these liquor outlets to account for the \$700. Obviously a hotel must supply additional services in the form of accommodation, and it must comply with difficult and stringent conditions in regard to the supply of food.

**The Hon. R. Thompson:** Do they have to pay a premium when the license is bought the same as taverns do?

**The Hon. D. J. WORDSWORTH:** No, the taverns pay \$700 more than the hotels.

**The Hon. R. Thompson:** No, I was speaking about the premium.

**The Hon. D. J. WORDSWORTH:** I am sorry, does the Leader of the Opposition mean the premium paid to go into the business?

**The Hon. R. Thompson:** Yes.

**The Hon. D. J. WORDSWORTH:** I am not sure of the differential in that case.

**The Hon. R. Thompson:** I do not think they do.

**The Hon. D. J. WORDSWORTH:** I do not believe the original premium would be of great consequence in the establishment of a hotel. It would probably be included in the cost of building the hotel. I mentioned the approximate \$700 difference between a license fee for a tavern and that for a hotel. Reading on through Mr Graham's report, we see he brings up the matter of accommodation.

On page 4 he states—

The court has been concerned with the deteriorating situation respecting provision of acceptable accommodation. In order to meet the new and growing demands and in the interests of the hoteliers themselves . . .

It is rather interesting that he should lay down what he considers is best for the hoteliers—

... the Court is progressively requiring hotels to convert some of their existing rooms to self-contained units, or alternatively to erect such units as detached buildings where this is possible.

He says later—

Now that they are being prompted to undertake their long overdue responsibilities there is a reaction of some hostility.

Mr Graham has taken it unto himself to suggest that it is for the hoteliers own good that they should put in motel units and he quotes surveys which have been carried out in country districts. A survey carried out in the Kalgoorlie-Boulder area by the Department of Tourism shows that only 15 per cent of the visitors stayed at hotels while 50 per cent chose motels. He also quoted a survey in the great southern region and in the south-west which was undertaken by the Australian National Travel Association wherein it is shown that the hotel patronage was 8 per cent against the motels 20 per cent.

In conclusion Mr Graham states—

It is obvious, that even though it is more expensive, an increasing percentage of the travelling public prefers self-contained units which usually are modern, with amenities including many of the following—shower, toilet, radio, television, refrigerator, air-conditioning, radiator, fan, tea and coffee making facilities, telephone, breakfast service, etc.

He mentions a few of the facilities provided by motels. Undoubtedly a great number of people do stay at motels for the reasons mentioned; but there may be other reasons, perhaps, why tourists prefer to stay at a motel rather than a hotel.

To give a few of the reasons I would point out that motels, for example, give a chain booking which is convenient if one is touring the country. Apart from this, motels are usually a lot quieter and they are built on a larger area. Quite often I think people deliberately stay at motels because no liquor is served. The motel units are not placed in the back of a hotel yard. In most of our wheat belt towns one finds a lack of drainage in the clay soils of the areas. The hotels generally have effluent tank systems which are often cleared by trucks which pump out the refuse to the accompaniment of the constant clanging of bottles by the yard-man in the early hours of the morning.

Hotels do not give the same service as do motels. In fact the Liquor Act does not permit a hotelier to lease out facilities for the provision of meals. This is why

motels are so successful—they generally hand over the preparation of meals to somebody who is specialised in this field. Hotels are not permitted to do this; they must conform with the Liquor Act. Apart from this, motels also provide swimming pools which are a great attraction after a long day's travel. These may be the attractions of motels rather than just those which Mr Graham thinks might induce people to stay at motels. There are other facilities at motels which hotels cannot provide merely by building a few units in the back yard.

When Mr Graham states he is experiencing considerable hostility, it is possible that the hoteliers themselves know a lot more about the business than he gives them credit for. They know, for instance, that they will not achieve a great deal by putting in a few units in the back yard.

Nobody seems to consider the economics of the proposition. Let us, for example, consider a hotel in a small country town; one which is probably worth \$40 000 to \$50 000. If we are to order further units in the back yard we will be talking in terms of \$10 000 a unit; so the man concerned will have to borrow a lot of money and put himself into considerable debt.

This is one of the reasons for there being so much hostility. The purpose of the exercise is to enable the person concerned to obtain a license at a figure which is \$700 cheaper annually. All this must be done to retain a license, whereas a tavern can set up next door and can continue to operate without the necessity to regularly supply meals and accommodation as the hotel must do. So it would appear there is good reason for us to again examine the Licensing Act, particularly if we propose to provide that the licenses shall cost the same.

I did try to obtain a copy of the report of the committee of inquiry chaired by Mr Adams, QC, which was appointed in 1969 to inquire into and report on the operation of the laws of the State relating to the sale, supply, and consumption of intoxicating liquor. I found it very difficult to get a copy of this report. We do not appear to own one in this House. However, I was able to obtain a copy from the Legislative Assembly.

Before one starts to change the licensing aspect one should look at the 1969 report, because several recommendations were made in it concerning matters relating to licensing. The report also draws attention to the question of the changing needs of hotels. I will quote from page 14 of the report as follows—

The requirement that bedroom accommodation must be provided by hotels appears to us to have been exaggerated and, in many areas, a smaller hotel providing food as well as liquor would cater adequately for public demand.



Later the report states—

With the advent of the motel, it is becoming increasingly obvious that the traveller no longer depends, in the main, on hotels to provide him with accommodation and meals. Now that the travelling public has a choice, the type or condition of the accommodation available in many of the older type hotels is not wanted. Apart from the wealthy or the expense account traveller and similar people who are to be found in the multiple star hotels, the travelling public generally speaking are tending more and more to look for motel rather than hotel type of accommodation. They prefer the private facilities and amenities and the quiet atmosphere of a motel unit and are disinclined to take a room in a traditional type hotel, particularly when they may have to put up with the "pop band", in addition to the general noise from the public bar and the "winter court", below or nearby.

Obviously when the recommendations were made to set up taverns, due consideration was given to the idea of changing the accommodation necessities of the State. Getting back to the matter of the difference in the two licenses it is stated on page 21 of the 1969 report—

However, to preserve some economic balance in the interest of the hotels which provide accommodation, we think that tavern licences should be subject to a higher licence fee.

Further in the report under the heading "Recommendation 7" it is stated—

(2) Tavern Licences should be charged a differential licensing fee higher than that for the hotels to balance, in some measure, their competitive advantages over the traditional hotel providing accommodation. This is done in New Zealand where the fee is an additional 50 per cent. The same is proposed for New South Wales.

So it is obviously designed to have the license fee depend largely on the Licensing Court and the way in which it is administered. I do not suggest the Act is being administered wrongly; perhaps the Licensing Court is carrying out what it has been ordered to do. At page 43 of the 1969 report the following appears—

It is clear that the Act which was designed to meet the needs of the horse and buggy age is now hopelessly out of touch with the needs of the present day. It is a matter of considerable doubt whether any need now exists to tie liquor to accommodation at all; except perhaps in some country areas. The accommodation business can and does pay, as the success of the motel companies well illustrates. Except in a few instances, we doubt whether there is any longer

a need for the law to force anyone to provide accommodation. The economic law of supply and demand will always provide a better service than one which is imposed on someone as a legal obligation. From the point of view of the travelling public, there seems little need for it now.

When the Act was reviewed we retained the provision that accommodation should be supplied, and obviously the Licensing Court is going ahead and enforcing the condition on the new type of accommodation in hotels.

I for one have my doubts as to whether this is a very wise move. I think it might even be doing the whole accommodation industry a lot of harm, because we are forcing hotels to put up one or two inefficient and ineffective units, and this could well be stopping the development of proper motels.

Members must appreciate that the motel industry is indeed a very well-developed and scientific industry. One perhaps does not realise how much time, study, and work go into ascertaining the number of units that can be effectively cleaned by one girl who has everything set up on a trolley and moves from one room to another. Everything has been worked out by computer, which might indicate that 15 or 16 units are about as much as a girl can handle efficiently and that any less would be uneconomic.

It is ridiculous to have a hotel add two or three units in its backyard and to imagine by doing so it will provide good accommodation. The cost of servicing such units would be higher than that of the normal motel.

We know that a motel always has a manager on the spot. He is continually supervising all the necessary aspects and making sure the patrons are not inconvenienced by unnecessary noise, and so on. He also keeps an eye on the swimming pool and other amenities such as a bookshop which the motel might provide. It would not be possible, however, for such supervision to be carried out if two or three additional units were to be provided in the backyard of a hotel; because obviously the hotelier will be too busy inside the hotel looking after his trade. As we all know, he has additional responsibility to any juveniles, drunks, or Aborigines who happen to be in the bar. He will have no time to run his motel units properly.

The Hon. D. W. Cooley: What is the difference between the Aborigines and the whites?

The Hon. D. J. WORDSWORTH: The hotelier could very well be making sure that the Aborigines are enjoying their full rights.

The Hon. Lyla Elliott: You got out of that nicely.

**The Hon. D. J. WORDSWORTH:** There is another comment I would like to make, particularly after looking at the Licensing Court report concerning the larger hotels. In its report I think the court refers to them as beer halls. Obviously a greater number of tavern licenses have been granted in the vicinity of some of the larger hotels, the intention being that the hotels will certainly lose patronage and even have difficulty in staying in business. I wonder whether such a move is sensible.

During my travels in the United States of America I made a study of the motel-hotel industry and I found there is no establishment in that country such as a hotel as we know it in Australia. There is a bar or tavern, as we call it here, and one or two Sheraton-type hotels, but there is nothing in that country which we, as Australians, know as an ordinary hotel. However, in the USA it is found that one cannot obtain a drink for under a dollar, because obviously when the trade is divided or shared by the smaller liquor houses the cost of the services is increased. I think, therefore, that we can perhaps foresee the cost of drinking being increased extensively once we swing over to taverns.

I do not have any objection to taverns. Personally I prefer them. I prefer to eat in a licensed restaurant, and I certainly prefer to stay in a motel rather than a hotel. I merely make these observations because I think the policy upon which we are embarking will undoubtedly have some side effects. One of the advantages of the Australian-type hotel is that we have kept the cost of servicing within a moderate range. People often complain about the price of beer in a hotel, but after one has travelled to other parts one soon realises that the cost of drinks is a great deal more in those countries; and this is occasioned by the extra cost of the services. This is exemplified by the fact that the cost of drinks in the lounge of an international-type hotel is greater because the patrons obtain better service.

While perhaps I am not altogether in agreement with some of these large beer halls or winter courts, as they are often called here, I think they do, at times, provide a service. On entering them on any Saturday night one often finds them full of young people engaged in dancing. They can visit these places and have an enjoyable evening at the cost of only two or three beers, and they can dance to a band that is often imported from the Eastern States. This kind of entertainment will be denied those youngsters if the policy of establishing taverns is followed. It will also be denied to many married couples who frequent these places and while there, enjoy meeting their friends. This avoids their having to meet the expense of joining a club. With the introduction of taverns, this enjoyment will be denied them.

In some of the working class areas, where the residents are not on a high wage, a hotel does serve a useful purpose in providing entertainment and a drink at a reasonable price. So I make these observations on the Bill and on the differential between the licensing fee for a tavern and that for a hotel. If we are to change this differential we should start to consider drafting other amendments to the Liquor Act, particularly in regard to making it obligatory for hotels to provide accommodation.

**THE HON. N. McNEILL** (Lower West—Minister for Justice) [9.05 p.m.]: I would like to acknowledge the comments of the Hon. Grace Vaughan and the Hon. David Wordsworth on this Bill. At the outset I feel I should reply to the remarks made by the Hon. Grace Vaughan. In the circumstances I think she used an expression which could well be described as being silly, because she said the Government was pussy-footing in respect of the differential. If she did not actually say so, I think she also implied that we have not made a move to establish equity between these two classes of license.

Mr Wordsworth has spent some time on an examination of this very question and it is obvious we have made a move, because that is what the Bill is all about; namely, to remove the differential that applies. I am quite sure that those engaged in the trade do not regard this move as pussy-footing. It is certainly not regarded as pussy-footing by the hotel licensees who do not necessarily appreciate the increase in fees; neither do they appreciate that the differential has been narrowed. On the other hand, surprisingly enough, it is one of the few increases in taxation, in my experience, where the people who are required to pay are quite enthusiastic about it. These people, of course, are the store licensees.

It is rather an ironical situation that they have welcomed the tax mainly for the purpose—as we have recognised it—of reducing the differential between these two classes of license.

I do not intend to make any excuses on behalf of the Government for not having established a license fee which is equivalent—or, to use the Hon. Grace Vaughan's words, one that is equitable—because, once again, as Mr Wordsworth has pointed out, to make the licenses the same for both classes of premises would not necessarily be establishing a form of equity. In fact, it may be doing just the reverse for all the reasons that have been stated. So the Government believes that there is a case for the differential to remain.

Undoubtedly there are commitments and demands upon a publican's general license, as we historically know it. These are not

experienced by store licensees and other licensees who are not required to provide premises or services that are provided by hotels, apart from other considerations that have to be met by hotel licensees. Therefore there is no occasion to make any excuse about that. In fact, we said quite plainly that while we have made a move to bring the two licenses a little closer together, the fact remains that there is good reason for the differential to continue.

Mr Wordsworth has made some useful comments which I will not analyse or comment upon at any length at this moment. I think you, Mr President, and the House will be aware, in terms of some recent Press publicity, that I, as the Minister responsible for the Liquor Act, will give some time and consideration to the general question of amendments that may be required to the Liquor Act.

I think it is appropriate, therefore, that the comments made by Mr Wordsworth might well be taken into account when considering those amendments rather than in the consideration of the matter we now have before us.

The matter we are discussing is a Budget item, because it proposes to amend the Liquor Act essentially to provide additional revenue by increasing the license fees that are payable. So I do no more than acknowledge the remarks made by Mr Wordsworth and say that I will certainly give some attention to them because I believe they are relevant in the general development and progress of the liquor industry. The subject involves more than the liquor industry. It involves the question associated with the granting of licenses to hotels and taverns, and I suppose it could well be extended further, in general terms, to embrace the tourist industry.

Therefore, in that context, I think the comments made by Mr Wordsworth are quite relevant. I appreciate the remarks made by both speakers to the Bill which I commend to the House.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

Bill read a third time, on motion by the Hon. N. McNeill (Minister for Justice), and passed.

## **RURAL AND INDUSTRIES BANK ACT ACT AMENDMENT BILL (No. 2)**

*Second Reading*

Debate resumed from the 31st October.

**THE HON. GRACE VAUGHAN** (South-East Metropolitan) [9.13 p.m.]: This is another Bill to amend an Act in order to raise revenue, the Act being the Rural and Industries Bank Act of 1944. The Opposition recognises this measure as a money-raising method by the Government and also recognises that the raising of money through a Government instrumentality such as the Rural and Industries Bank is not a bad thing—again provided, of course, that the money so raised is spent in a way that is beneficial to all the people of Western Australia.

We feel the Bill is so framed that it cannot do any real harm to the operation of the Rural and Industries Bank. It will not restrict its ability to be an enterprising institution in that it is well known the bank has done much to bring about some rationalisation in the distribution of land in its acquisition and auctioning of building blocks within the metropolitan area.

The Bill contains a provision which means that the Rural and Industries Bank cannot deprive the Government of its fair share of profit, because the Treasurer will have to determine the rights or wrongs of such claims of amounts written off the bank's premises, amounts relating to contingencies, bad or doubtful debts, and some determinations concerning the rural department which, traditionally, is an important part of this bank, because originally this institution was the Agricultural Bank.

This is perhaps not often a profit-making area of this very worthy institution. The Act cannot interfere with what the R. & I. Bank does before it declares its profits except for the three contingencies I have just mentioned in regard to the writing-off of bad debts and the rural department.

However the Opposition is concerned that some people will be afraid they will suffer because the Government will have—to use a colloquialism—a rake-off. In the main, people are not well versed in money matters and they live from week to week, saving a little money. Consequently they could be concerned about what will happen to their money while it is in the bank.

I feel the Government could still save the situation which perhaps it has created, and I am not saying this vindictively. The situation could have been better handled, thus saving the public image of the bank. People should have been given an assurance that although the Government will be taking 50 per cent of the profit, their money will not be touched but will be quite safe. Those people who have little knowledge of the making and investing of money might not understand the situation and they could be fearful that the money they have invested, in a bank

which they have so well respected and patronised over the years, may not be safe.

The Minister should perhaps consider this aspect and have a talk with those in the public relations department of the bank so that the people might be assured of the situation and be given a more lucid explanation in regard to the money which will go to the Government from the bank.

When I first heard of the proposal I myself had misgivings, and probably this attitude is indicative of the sort of disquiet which may have been engendered in the minds of other members of the public. They could be fearful as to the traditional role of the bank and the service it gives to the public. However, on an examination of the Bill, it seems to me it is well framed and there is no cause for fear in this regard. The only disquiet I have, and I hope the Minister will be able to give an assurance on this matter, is in regard to the image which will be created as a result of the announcement that 50 per cent of the bank's profit will go to the Government.

**THE HON. N. McNEILL** (Lower West—Minister for Justice) [9.19 p.m.]: I am grateful to the Hon. Grace Vaughan for her unqualified support of the Bill. I am glad she has recognised that in no way will the Bill affect the capacity and the ability of the bank to operate in exactly the same way if not better than it has operated in the past. No inhibitions are placed on its operations and the honourable member recognises this fact.

The Hon. Grace Vaughan referred to the image of the bank, which she felt may suffer. This is a possibility, but I am not sure that it is a real one. I can appreciate the fact that perhaps a small proportion of the bank's clients may have had some misgivings concerning the effect of the proposal on the return they may receive from the bank. I am not sure that it is possible for the Government to dispel these misgivings. The remedy rests with the bank itself. The clients will realise from their future dealings with the bank, that they will not suffer in any way.

Over the years, the bank has certainly got its story across with its slogan, "The bank that lives here", and it has created a very good image. For this, the public relations officers of the bank must be complimented. If, in any way, clients reveal that they have misgivings, I am sure those same public relations officers will take some action to counteract them—if they have not already done so. I believe we can leave the situation quite safely in their hands.

However, to the extent that it will help, I would also like to give my assurance that no serious effect—in any shape or form—will be felt by the clients. This applies also to the smaller clients to whom the bank

account and interest rate are so important. If my assurance means anything, I am certainly happy to give it. The clients will not be disadvantaged.

Once again I thank the Hon. Grace Vaughan for her support of the Bill which I commend to the House.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

Bill read a third time, on motion by the Hon. N. McNeill (Minister for Justice), and passed.

### STAMP ACT AMENDMENT BILL (No. 2)

*Second Reading*

Debate resumed from the 31st October.

**THE HON. R. THOMPSON** (South Metropolitan—Leader of the Opposition) [9.25 p.m.]: Earlier this year we amended section 52 of the Stamp Act in order to delete the numeral on a cheque, promissory note, or bill of exchange. At present the stamp duty is 6c. The new passage in the Act states that the payment of duty on cheques of which such approval applies is to be denoted by the branding or stamping of the words "Stamp Duty Paid" on each cheque.

I thought that was the idea of the amendment, but, having read the Bill before us, I now know the real reason for the earlier amending legislation. Now the stamp duty on cheques is to be altered by regulation. The duty is payable once the regulations are published in the *Government Gazette*.

Pretty hot on the heels of that Bill we have this one which increases the stamp duty on cheques, bills of exchange, and promissory notes from 6c to 8c. The Bill also deletes the words "*ad valorem*", which should never have been included in the first place.

Tonight this is the fourth Bill with which we have dealt which imposes taxation on the people of Western Australia, and the situation reminds me of one of the movie serials I used to view on Saturday afternoons. Mr President, being in my age group, you would probably remember it also. We used to line up just to see the serial plus some other picture.

The **PRESIDENT**: I was a lot younger than the honourable member.

The Hon. R. THOMPSON: You could be, but I may have gone to the pictures at an earlier age than you did.

The current serial then was "The Texas Rangers" and your nod of approval indicates you do remember it, Sir. If you cast your mind back, Mr President, although it is a long time ago, you would know there was a vigilante group in Texas and there were tax gatherers. The vigilantes and the tax gatherers got out of hand and so the Texas Rangers came into being.

I think that the members of the Government of Western Australia could be called "Tax-us Rangers", because this is what they have well and truly proved themselves to be.

The Hon. N. E. Baxter: That expression was old years ago.

The Hon. N. McNell: The expression was probably first used against you.

The Hon. R. THOMPSON: In 1974-75 the Government has levied taxes—including the tax under this Bill—to the tune of \$5.5 million, and it is estimated that in the year 1975-76 the taxes will bring in \$6.138 million, which is a very steep impost for one night's work.

I can just imagine what Cabinet members will be doing in future. If they follow the example of the Texas Rangers and their mode of travel, they will be using something a little faster off the mark. They will probably cavort on quarter horses and we will find them careering around the countryside looking for new avenues of taxation.

I do not think it reflects very well on the Government. I keep trying to help the Government. I have said previously that the only fee which has not been increased while the Government has been in office—seven months and one week—is that for a dog license.

Because the Government has slugged every citizen of Western Australia to the maximum, there is one matter which I think it should look at very seriously. You will remember this matter well, Mr President, because you were the responsible Minister at the time. Tonight, we have increased harbour fees. When the BP agreement was signed, concessions were given to that company which might have been justified at the time but in view of the profitability of BP and its monopoly in Western Australia in regard to the refining of oil, I think the exemptions on pilotage and other maritime services rendered and paid for by the State should be withdrawn and that it is time that wealthy oil company met its full responsibilities. It has enjoyed concessions for a long time. If it is good enough to slug John Citizen to the maximum, it is good enough to look at the profitability of that oil company and other companies in Western Australia which, from their balance sheets, if they prove anything, could afford to pay extra tax and relieve the burden on the average person.

The impost under discussion will have an inflationary effect for the farmer, the businessman, and the small shopkeeper, as well as the big businessman, who usually pay by cheque. If we are to be fair in our criticism and the concern we express on behalf of small business people, and particularly farmers, we should look for a way to alleviate some of the taxes rather than increase them.

This tax does not go across the board but, as Western Australia has a population of just over 1 million, it will mean more than \$6 a head of the population. No service will be given for it; it is a direct tax. On one hand there is a possibility of some alleviation of income tax in the Commonwealth sphere, and on the other hand the State is prepared to levy a tax of \$6 a head, which will amount to \$15 a head for the people who have to foot the bill.

I realise there is very little I can do to prevent such taxing measures. The Government seems to be intent on taxing to the limit. I will be surprised if it can find any more taxes to increase other than the one I have mentioned, but I do not put anything past this Government. Its ingenuity in finding out how and where it can tax the people of Western Australia is astounding. The Government can be given credit for one thing only; that is, the amount of tax it has been able to levy in such a short time.

**THE HON. N. E. BAXTER** (Central—Minister for Health) [9.35 p.m.]: I was very interested in the remarks of the Leader of the Opposition. He said that through the series of Bills we have dealt with tonight the Government will be raising some \$6 million, and that the increased tax we are now discussing will amount to \$6 a head of the population in Western Australia. He suggested it was time we tried to reduce taxes. I do not think he gave consideration to the reason for the increases.

The Hon. R. Thompson: I know it.

The Hon. N. E. BAXTER: He has the false idea that the increases are being imposed in order to provide the money to meet election promises. I wonder whether the Leader of the Opposition has looked at the wage structure of this country and the increases in wages for which the unions have been pressing for quite some time.

The Hon. R. Thompson: Not since you have been in Government.

The Hon. N. E. BAXTER: There have been increases of \$16 a week here, and \$19 a week there. The Hospital Employees' Union asked for an increase of \$19, and only last week it was awarded \$14 by the court, which it is not prepared to accept. How does a Government meet its obligation to pay the wages of all its employees

with these continual increases? No Government can exist financially unless it raises money from somewhere in order to meet the increases.

Earlier, by way of interjection, I mentioned the increase in hospital charges, which was necessitated by the same situation—the continual demand for increased wages, which are one of the greatest causes of cost increases.

The Hon. R. Thompson: What about the cost of food?

The Hon. N. E. BAXTER: And what is causing the cost of food to rise? It is a case of the dog chasing its tail as illustrated in the continual demands for higher wages and salaries.

The Hon. R. Thompson: Do not these taxes help to put up all the charges?

The Hon. N. E. BAXTER: Not to the same degree as the present wages rate. The Leader of the Opposition is burying his head in the sand in saying what he has said in this House tonight.

The Hon. S. J. Dellar: You are not going to blame the Federal Government?

The Hon. N. E. BAXTER: We did that earlier.

**THE HON. D. W. COOLEY** (North-East Metropolitan) [9.38 p.m.]: I did not intend to take part in the debate on this Bill but I think I should reply to the statements made by the Minister. He said that all the ills of the country revolved around the increased wages to people who made genuine claims through the arbitration system. Last week, when other matters were before the House, the pernicious policy of the Australian Government caused the increased charges!

The Minister mentioned the \$14 a week which had been granted to hospital employees but he omitted to make reference to the other sections of the community in the higher income brackets. Hospital employees earn less than \$100 a week, but the Minister made no reference to the airline pilots who receive \$47 000 a year or to the parliamentary salaries which have recently been increased and of which he has taken advantage. These add to the overall wages bill.

The Hon. N. E. Baxter: You just do not listen.

The Hon. D. W. COOLEY: No reference was made to the big stores in the community, such as Myers, which has taken advantage of the relaxation by the Federal Government of import duties, and imports goods at \$2 which it sells over the counter for \$8. That was not the subject of any criticism by the Minister, but it is a practice which adds to the inflationary situation.

The Minister made no reference to the Australian Hotels Association. Recently there was talk of increasing hotel license

fees and the president of that association (Mr Dunstan) promised that we would get a New Year gift in the form of an increase in the price of beer. This year the Australian Hotels Association has increased the price of beer over the counter in this State by 92c a gallon. It was suggested that an inquiry be held in respect of the activities of that association but it has never been brought before this House despite the fact that it has been promised.

It is the Government's opinion that it is people earning \$90 a week and claiming an increase of \$16 a week in their wages who are responsible for these increased charges. I think the Government should get its priorities right. It is not the working people who are responsible. They are doing their job and keeping up with the situation the Government has created as a result of its refusing to introduce any form of control over prices.

The Hon. V. J. Ferry: You are talking about stamp duty, are you?

The Hon. D. W. COOLEY: Yes. I did not intend to take part in the debate but the Minister for Health introduced the subject of the claiming of higher wages by people on low incomes who are in many respects underprivileged.

The Hon. N. E. Baxter: I referred to all wages and salaries, and you know it.

**THE HON. N. McNEILL** (Lower West—Minister for Justice) [9.42 p.m.]: I am grateful to the Leader of the Opposition for his support—albeit reluctant—of this Bill. I feel I should make the observation that the Government takes no joy whatsoever in increasing the stamp duty on cheques. The Government knows the impact it will have. Every person who writes a cheque, big or small, will be facing an additional burden.

It is a source of revenue which the Government feels justified in tapping, despite the fact that it is very reluctant to do so. However, the necessity exists. The purpose of this and other measures which have been introduced in this House today is to raise funds. Despite all that has been said, and despite the defence Mr Cooley has just made of wage earners, I am sure we all recognise that these people bear a burden. I would be one of the first to acknowledge that the person on wages, and particularly the person on low wages, probably feels the impact more than others do in the present economic circumstances. I can understand their great concern. It is not theirs to reason why these things have happened. I am sure it would be far better if they did not have to press for wage increases.

People in receipt of wages are only trying to make a living; they are endeavouring to obtain the means by which they can do just that. They are not in a position to

calculate or analyse an economic situation. They are quite reasonably concerned with their own particular livelihood. I do not blame people for making requests to obtain the means to live. That is not the core of the argument. The core of the argument is that circumstances are such that it is necessary for people to claim increased wages. It is they who really suffer in the present situation.

I return again, as I have in other debates, to the point of the necessity for this. I must make reference to a meeting of the Labor leaders of this country some three or four weeks ago in Canberra.

The Hon. Clive Griffiths: Is that the meeting when they sacked Crean?

The Hon. N. McNEILL: At that meeting Labor leaders tried to bring home to the Prime Minister and Treasurer that some action has to be taken by the Commonwealth Government by way of releasing funds to the States so that the burden of taxation and charges will not be so seriously felt by the earning public of the States of Australia. The Labor leaders have recognised this; therefore it is quite useless for the Opposition in this House to try again to be critical of the State Government for increasing charges when its own leaders at a Federal conference meeting in Canberra a short time ago identified and recognised the problem and used whatever pressure was available to them—which I imagine would have been considerable—to prevail upon the Commonwealth Government to provide some relief.

Mention was made of Mr Crean by Mr Clive Griffiths by way of interjection.

The Hon. S. J. Dellar: Which interjection was that?

The Hon. R. Thompson: No. 401!

The Hon. N. McNEILL: I am sure we appreciate the position Mr Crean is in. If any of the reports are to be believed, he must be between the devil and the deep blue sea. He appears to have no friends in this country or even within his own party.

The Hon. R. Thompson: Your Government appears to have not many friends.

The Hon. N. McNEILL: He seems to be a very lonely person—that is, if he is still the Federal Treasurer. I believe something in the nature of a mini Budget was brought down in the Commonwealth Parliament tonight.

The Hon. Clive Griffiths: This is the one Hawke said they had better introduce.

The Hon. N. McNEILL: Yes; I am sure Mr Cooley, with his connection with the Trades and Labor Council, would be well aware of that. He would acknowledge the part that Mr Hawke, as President of the ACTU—or perhaps as President of the ALP—has played in directions and instructions to the Federal Government to take some action to ease the strains in the economy. I do not think all these people are wrong.

The Hon. R. Thompson: Where is that in the Bill?

The Hon. N. McNEILL: It is not in the Bill at all, but it has very great relevance indeed to the Bill. As the Opposition has used the opportunity to make repeated reference that this is the fourth Bill of this nature, I decided today is a good day to deal with such matters. The atmosphere is with us inasmuch as the Federal Government also thinks it is a good day to do something in the way of taxation. So presumably I am in good company.

However, to return to the Bill, I am glad of the support it has received, and I commend it to the House.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

Bill read a third time, on motion by the Hon. N. McNeill (Minister for Justice), and passed.

#### ADJOURNMENT OF THE HOUSE: SPECIAL

THE HON. N. McNEILL (Lower West—Minister for Justice) 19.50 p.m.: I move—

That the House at its rising adjourn until 2.30 p.m. tomorrow (Wednesday).

Question put and passed.

*House adjourned at 9.51 p.m.*

## Legislative Assembly

Tuesday, the 12th November, 1974

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

#### CONSTITUTION ACTS AMENDMENT BILL

*Message: Royal Assent*

Message from the Lieutenant-Governor and Administrator received and read notifying that he had reserved the Bill for the signification of Her Majesty's pleasure.

#### BILLS (7): ASSENT

Messages from the Lieutenant-Governor and Administrator received and read notifying assent to the following Bills—

1. Western Australian Institute of Technology Act Amendment Bill.
2. Alcohol and Drug Authority Bill.
3. Convicted Inebriates' Rehabilitation Act Amendment Bill.