

land tax would be carried out. But there has been no reference to it since. There is nothing in His Excellency's Speech, and not a syllable from the Minister with regard to it—just a statement, "Here is this Bill; it is designed to make this legislation permanent, and that is what we want to do."

I will agree with the principle; it is desirable to make the regional planning authority permanent so that it can properly plan the development of the city. But we should not be called upon to take this action now until the Government has made good its assurance.

I am wondering what the Minister in another place will say to those whose votes he secured on the distinct understanding that there would be a reduction in land tax; that this position would be reviewed; and that they would have an opportunity of reviewing it before this limitation was removed. Because I am not prepared to deal with the matter. As a matter of fact I am not able to deal with the matter as I would like to do, because the Bill is not brought here for a review. We are limited to a discussion of whether the life of the town-planning authority ought to be made permanent; whether we should agree to the legislation giving the regional town planning authority permanency, or whether it should remain as it is, limited to the 30th June, 1962. That is the situation, and it is quite contrary to the undertaking given in another place.

I think the Government should withdraw the Bill, as indeed it should the other one, until it brings down its legislation for a reduction in land tax, or makes a declaration that it has no intention of carrying out the assurance which its Minister gave in another place. It should do one or the other, but not ask us to make a decision on this with no information about the Government's intentions with regard to the other matter.

For those reasons I urge members to instruct the Government in this way: that there is a proper way of doing things, and this is not it; otherwise it reduces ministerial utterances with regard to responsibilities to a complete sham and a farce.

In concluding his discussions with regard to this matter, the Minister in another place (The Hon. L. A. Logan), at page 3436 of *Hansard* No. 3 of 1959 said—

I am prepared to accept the amendment that ties in with the life of the planning Bill. If that is agreed to, we can review the position at the end of the two years. I hope the House will pass the second reading.

Yet here is the very Minister who is talking about reviewing the position at the end of two years sending the Bill to us in under one year and asking that the legislation be made permanent. They do not

catch me that way! If assurances are given on behalf of the Government they should be honoured or they should not be given. I repeat: The passage of this legislation was secured with one vote, even with that assurance; so what chance would it have had without it? I hope the House will reject the measure.

On motion by Mr. W. Hegney, debate adjourned.

House adjourned at 11.4 p.m.

Legislative Council

Wednesday, the 31st August, 1960

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

QUESTION ON NOTICE

RAVENSTHORPE-ESPERANCE ROAD

Condition

The Hon. J. M. A. CUNNINGHAM asked the Minister for Local Government:

- (1) Has the Minister the latest advice concerning the condition of the road between Ravensthorpe and Esperance?
- (2) Does this advice uphold the contention that the road now carries a density of heavy ore-carriers, farm vehicles and private cars, warranting immediate recognition of its major importance to the area it serves?
- (3) Does it confirm that recent rain-falls have rendered an extensive portion of this road dangerous to users?
- (4) Can the Minister give any definite indication whether, and when, a continuous programme of consolidation and sealing will be put in hand?

The Hon. L. A. LOGAN replied:

- (1) Yes.
- (2) Yes. The importance of this road is recognised and substantial allocations are being made for its maintenance and improvement.
- (3) Heavy rainfall and traffic have damaged the road formation. Steps are being taken to accelerate maintenance operations.
- (4) The construction and sealing of this road will be continued from year to year to the extent that funds are available.

LICENSING ACT AMENDMENT BILL (No. 2)

First Reading

On motions by the Hon. N. E. Baxter, Bill introduced and read a first time.

ABATTOIRS ACT

Disallowance of Regulations 19 and 38

Debate resumed from the 30th August on the following motion moved by the Hon. F. J. S. Wise:—

That regulations 19 and 38 made under the Abattoirs Act, 1909-1954, published in the *Government Gazette* on the 25th March, 1960, and laid on the Table of the House on the 2nd August, 1960, be and are hereby disallowed.

THE HON. A. L. LOTON (South) [4.35]: When Mr. Wise spoke on this motion last week he presented a case which, on first sight, seemed to be almost

unanswerable. In considerable detail he explained how the charges had remained static for quite a long time, and then he pointed out that a rise took place and, within a very short period of time, a further rise in the charges was imposed. However, when the Minister for Local Government replied last night and produced evidence in rebuttal by reading extracts from reports by the Under Treasurer and by the chairman of the Midland Junction Abattoir Board, it was discovered from what the chairman of the board said that if the board was going to continue to provide the service it had in the past it was inevitable that the increased charges should remain. He further elaborated on that statement by pointing out the small profit the abattoir was making and he gave an indication of the improvement to be effected; namely, the provision of further facilities at the abattoir by way of the increased holding capacity and the increased chilling facilities which the abattoir board had in mind.

Overall, knowing the large numbers of stock that are sent to the Midland Junction Abattoir in the flush period of the season, particularly, it seems to me inevitable that the increased charges must go on. Further, from a perusal of a small article in *The Farmers' Weekly* of the 28th July, one discovers that the Farmers' Union is quite agreeable to the increased charges continuing. Therefore, one is in rather a difficult position in trying to deny that the increased charges should not be imposed.

Another aspect of this matter which has upset me is that when Mr. Wise spoke the other night, a representative of the Farmers' Union was present in the House and listened to the debate. However, since then not one mention of this subject has appeared in *The Farmers' Weekly* in regard to the matters that have been raised in this Chamber; and, further, no representative of that union attended this House to hear the reply that was given by Mr. Logan to the debate. As far as I am concerned, I have not heard one word, either one way or the other, on this matter from the Farmers' Union.

That union claims to be representing the producers of the State. Its policy is, of course, to represent the producers outside of this Chamber, but at odd times one does like to know its opinion on the various matters that are discussed in this House, regardless of whether one abides by such opinion or not. One is always interested to hear both sides of the case, and it would be of some advantage if we could hear views from such a body as the Farmers' Union; and in fact, I think it is up to the union to let us know its views. Therefore, as I have said, I was extremely disappointed to discover that the Farmers' Union was not sufficiently interested to

send a representative to this House to hear the reply to the debate by Mr. Logan last night.

In the long run, of course, the increases in these charges are borne by the consumer. Some of the charges go back to the producer; but it is the butcher who has to meet these increased charges, and he is in the position to pass them on to the consumer who must eventually pay. However, when one considers that such increases are spread over either a 45 lb. wether or a 600 lb. beast, the increase per pound to the consumer is not very great. In any event, it must be borne in mind that the facilities at the abattoir have to be provided; and I think all members will agree that the producers, the butchers, and the public are fairly well catered for with the facilities that exist at the Midland Junction Abattoir.

If the proposed extensions to the abattoir, as planned, are proceeded with they will meet the growing demand for additional facilities, and the board must ensure that the increased charges be continued. For those reasons I cannot support the motion.

THE HON. F. J. S. WISE (North—in reply) [4.40]: I am very interested in the comments made by Mr. Loton. I am wondering whether he, in being fully convinced by the statements given and the analysis of the figures made by the Minister last evening, was fully aware of the shortcomings in the speech and in the deductions of the Minister. I shall try to analyse them.

Very early in the speech of the Minister I deemed it wise and necessary to remain silent, because it was obvious in the first two or three minutes that the Minister had many misconceptions and was delivering mis-statements. During the whole of his speech, although I was provoked frequently to put him on the right track, I refrained from interjecting because I reached the conclusion that I would be helping him by doing so.

Early in his remarks the Minister stated that I was worried because I could not find out what were the profits. That aspect did not give me any worry, because I had made a plain and bald statement. Further, I had analysed the papers which were tabled, and through answers to questions I had been able to obtain the information which I needed. I also had access to the latest report of the Attorney-General.

The Minister repeated a statement I made when he said that I had remarked that previous years were not comparable, and that it was not fair to use those years to draw a conclusion. The House will recall the words used by me and repeated by the Minister. I still stand by that statement. It is not fair, nor is it correct, to make a comparison of the figures on the basis adopted by the Minister.

I am wondering whether the Minister has not deliberately used the figures in the way he did to mislead the House; I wonder whether he was aware of the implication. I am also wondering whether the Minister, when he quoted the figures of the increase in 1954 and stated that the two increases which were brought about both took place during the reign of a Labor Government, knew those figures were of the magnitude as outlined by me. The Minister gave specific figures of the increase from, say, 8d. in the charges for the abattoir facilities in respect of lambs, to an amount which, in his own words, represented an increase of 370 per cent. I want to ask the Minister through you, Mr. President, if he has knowledge of the reason for the sharp increases.

The Hon. L. A. Logan: You told us in your speech.

The Hon. F. J. S. WISE: If the Minister had knowledge, then he deliberately misled the House. If he did not have the knowledge, then he acted in ignorance, because the period prior to 1954, in respect to the levying of these charges, was not a comparable period. Prior to that period the charges were only imposed for the use of the facilities of the abattoir. After the passing of the Act, No. 58 of 1952, and the subsequent amendment No. 73 of 1954, the abattoir took over all the responsibility for the treatment of stock at these works.

If the Minister knew that, what was his reason for bandying words by saying that the charges were increased by such a large percentage, when from 1954 onwards—and not before that—they included all the slaughtering charges such as the wages paid to slaughtermen and to the men washing down—men previously employed by the butchers themselves? I suggest the Minister did not know that. If he did, he wilfully misled this House as to the composite figures of all the charges which are now imposed as compared with those of 1954.

Of course, it is true the increases occurred during the reign of a Labor Government. The first one, in the early part of the year 1954, was an attempt to arrive at what was the over-all cost. Six months later a complete review was made when the figures of wages and other relevant costs were available; and the charges were levied accordingly and have remained unaltered to the present time. If the Minister knew that, in all fairness he should have told this House. When I made the statement that the previous years were not comparable, and it was not fair to draw conclusions from the previous years—

The Hon. L. A. Logan: With which I agree.

The Hon. F. J. S. WISE: —I thought everybody associated with the dealing of stock knew that the charges included all

the costs which the butchers, both small and large, previously paid to the men for the services which they rendered.

Primary producers will recall very clearly how difficult it was to have stock treated on their own account in those days because they were in the hands of the master butchers. They had to follow in turn the slaughtering of stock to meet the needs of the metropolitan area; and a catch-as-catch-can procedure was adopted for the slaughtering of their stock to suit other people.

I am rather disappointed that the Minister used as a comparison the figures of the increase from 8d. to 4s. for the slaughter of a lamb, when he knew all the other costs were included in the increase. The altered circumstances which came over the control of the abattoir on the introduction of the legislation which is contained in Vol. 9 of the reprinted statutes, and which gave full authority to a board, as against the Agricultural Department, were so well known that I thought it was unnecessary to relate them. That board took over the responsibilities which, prior to the time I mentioned, rested with Treasury officers. From 1954 onwards the altered circumstances came about; and they have operated since.

The Minister endeavoured to make play of the fact that the altered circumstances did not warrant any debate in this House, and suggested I implied something unworthy. Such was not the case and the Minister knew that. The situation in that regard is simply this: In all cases such as the Midland Junction Abattoir, which is in some way divorced from direct Government control, the financial accounts have not in recent times been appearing in the Consolidated Revenue Fund. So that whether the amounts are small or large, there will be no swelling of the figures in the Consolidated Revenue Fund, which puts us in a much better position when that fund is analysed by the Grants Commission. The Minister has forced me to make that statement; but it is the truth. I would be the last person in this world to prejudice any Government in connection with its claims under section 96 of the Constitution.

The Minister, in his criticism, endeavoured to make great play of the consolidated charges obtaining at Robb Jetty. I repeat, knowing that my statement cannot be refuted, that those charges are the lowest for similar services anywhere in Australia. We are very proud of that: we are very proud because Robb Jetty is able to charge only those minor rates whereas it would suit private enterprise if they were increased.

The Minister made the comparison between Robb Jetty and Midland Junction, and he ridiculed my statement of the

service given at Robb Jetty in the composite charge and naively said that Midland only charged 4s. 6d. But he did not mention that the continuing charge from that point for export lambs is an added burden and another charge on the owner of the sheep or lambs.

And what is the position in regard to the figures of both places? Last financial year Midland killed for export 6,469 lambs—a handful. I obtained that figure from an officer of the Australian Meat Board this morning. That is not the product of one farmer. For the same period Robb Jetty killed 140,736 lambs and 163,700 sheep for export, a total of 305,487. Yet the Minister endeavoured to belittle my statement of the great service that Robb Jetty gives to the exporter of lambs and sheep in this State.

The Hon. C. R. Abbey: What about the rest of the meat exported from Midland Junction? You only mentioned lambs.

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

The Hon. C. R. Abbey: Is it not true that 29 per cent. of the total export comes from Midland Junction and 24 per cent. from Robb Jetty?

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

The Hon. C. R. Abbey: I believe that is correct.

The Hon. F. J. S. WISE: No; it is not. If the figures for Anchorage Butchers and others outside Robb Jetty were added to Midland Junction, that figure would be approached.

The Hon. C. R. Abbey: No.

The Hon. F. J. S. WISE: I have my figures from the Meat Board which is the authority controlling the exporting. So far as this debate is concerned the relativity of Robb Jetty and Midland Junction exists only in the sections which kill for local consumption, as I mentioned more than once in my initial comments. But the increased charges at Midland Junction will have an effect ultimately on all of the charges agreed upon by the exporters generally.

It appears, therefore, that the Minister perhaps was provided with only part of the story because he related only half of it. The Minister further doubted my assertion that there is a difference in the killing systems and charges obtaining in other States. The Minister made a comparison, in particular, between the cost of slaughtering calves in this State and in South Australia, and he referred to an interjection made by Mr. Watson to which I had replied. I stated at the time that the figures I was quoting and which I have here—I obtained them from an authentic source—were the average figures of the other States, because I did not have the detailed figures within the range of weights. The figures I was provided with

which I gave in good faith—8s. average for calves—are the correct ones prior to the recent increases; the very recent increases.

I was speaking of the average; and I stressed that point. I said that I was using average figures in discussing the matter. In South Australia the position is that the same system does not obtain in regard to edible offal. At Gepps Cross, all offal is handed back to the butchers concerned; but at Port Lincoln the same circumstances obtain as obtain at Robb Jetty—the meat-works retain it. Therefore there is a differentiation in price at works throughout Australia because of the different systems obtaining.

Towards the conclusion of his speech, the Minister said he had a list of the requirements of Midland Junction in regard to the capital costs of installation and in regard to matters which affect maintenance and renewals. He did not use those exact words but I think he implied them. It would have been a much better guide for us had the Minister read that list of requirements because it most certainly would have included matters affecting maintenance, reconditioning, replacements, and capital needs; and no matter what the figure is, unless care is shown—particularly in dealing with Government works—some matters may quite readily and properly be charged which are capital charges. We must be careful, otherwise we will have the situation that today's imposts will include the amounts which should be charged to loan and spread over the 50 years during which the charges would be redeemed. Unless that is done we will be extorting, through inflated charges, enough money from the present generation, or the present set of people on whom the charges are levied, to meet the cost of capital undertakings.

The Hon. J. G. Hislop: That is a Commonwealth-State policy at the moment.

The Hon. F. J. S. WISE: That is so; with the buoyant and tremendous revenue which is available of course. But in State enterprises and undertakings it is, and always has been, the practice that where a capital charge, which cannot reasonably be obtained from revenue, is necessary for new construction works or new buildings, the repayment is made within the provisions of this Act itself, and under the specific provisions of loan borrowings which the State undertakes at loan councils. And why, if £100,000 is required this year for capital works, should the producers and the consumers of today have to bear any added charge to repay that capital during the currency of the construction of those capital works? They should be paid for during the writing-off period, in the case of a public utility.

The Hon. H. K. Watson: Like the post office.

The Hon. F. J. S. WISE: The post office! I will not fall into the trap set by the honourable member. The post office is the greatest levier of excess burdens in Commonwealth finance. But surely no member in this Chamber wants the abattoir placed in that position. Heavens above! When the Minister who was opposing this motion was sitting on the other side of the House, he nearly deafened us with his objections to using any instrumentality, even if it made a colossal profit, as a taxing machine, even to recoup the Treasury. I remember instances which I could quote, when the Minister sat over here with no responsibilities in these matters. He had, of course, great responsibilities to his electors, which he has always honoured; but he had no Government responsibilities. The gate was wide open for the Government to be blamed for increases anywhere in those days, irrespective of any overdraft, and irrespective of any call which might be made on the Treasury.

The Hon. J. G. Hislop: Does not the abattoir, by its expansion, allow private individuals to make a profit?

The Hon. F. J. S. WISE: I do not quite get the import of that interjection. The abattoir allows every individual using its services to have the use of them at the lowest possible cost. The abattoir is a facility; and of course that last glorious statement made by the Minister, that if the abattoir shows a loss of £100,000, and if it cannot get the money from the Treasurer, it will have to close down, is a classic. I will read it if the Minister contradicts that.

The Hon. L. A. Logan: I am not contradicting it; I said it.

The Hon. F. J. S. WISE: This is what the Minister said—

If we are to allow this board to run at a loss and if the Treasurer refuses to meet the loss, then I cannot see any alternative but for the abattoir to close down and go out of existence. That is a classic.

The Hon. L. A. Logan: That is what would happen.

The Hon. F. J. S. WISE: Of course it is not. It is sheer, unadulterated nonsense to suggest that this instrumentality, or any other State instrumentality—the railways, the State Shipping Service, or any other—which showed a loss would go out of existence. Let us take the sewerage department if the Minister likes. Does he suggest that we would stop its activities if it showed a loss of revenue of £200,000, or even of £500,000? Of course not.

I repeat it would have been better had the Minister quoted the items in this list of charges which the abattoir must meet in some way during the current year, instead of telling us none of them, because

only then could we know how much should be charged to revenue. I wonder how much money is in the depreciation reserve account; I wonder whether the Minister knows.

The Hon. L. A. Logan: No. There is not very much; I know that.

The Hon. F. J. S. WISE: There is a statutory provision for $\frac{1}{2}$ per cent. of loan indebtedness to be paid to the Treasury annually for depreciation, but there is no limit to the amount which may be transferred from profits to the depreciation reserve account.

In addition to the $\frac{1}{2}$ per cent. provisional amount which would bring in £25,000 a year to service the depreciation reserve account, the Auditor-General's report—the last one available to us; the report for the year ended the 30th June, 1959—makes some suggestion as to what might be in that account. At page 210 of the Auditor-General's report we find that in the item "deferred liabilities" there is provision for £34,000; and we find that in the depreciation of fixed assets provision is made for £225,217. The profit for that year amounted to £41,990; and there is a special note in the Auditor-General's report stating that of this amount, £34,000 has been appropriated by the board as a reserve for abattoir extensions. I venture the conservative opinion that there is more than £100,000 in the depreciation reserve account.

The Hon. H. K. Watson: In cash, or the assets of the buildings?

The Hon. F. J. S. WISE: In Treasury credit. I suggest that an analysis of the last Auditor-General's report on this undertaking discloses that these charges are entirely unnecessary. Of course it is not even sensible to suggest that if there is a lack either of liquidity in the abattoir's accounts, or of capital for extensions or other needs, loan moneys to the extent of £100,000 would not be available.

Even if that were the picture at the end of the financial year, which I doubt, would the £100,000 be missed from a loan programme of £19,000,000? It is too ridiculous for words to suggest such a thing! That never has been the case, and it never will be. After all, the Government last year had, in its loan raisings, nearly £750,000 more than the previous Government had. The Ministers know that is so.

The Hon. A. F. Griffith: It will be more this year, too.

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

The Hon. A. F. Griffith: With a lot more expense, too.

The Hon. F. J. S. WISE: Yes, in some particulars. But I suggest there is a need to look at the Midland Junction Abattoir if the Minister's story is in part correct—and it is—and to the management of that

concern and to its capitalisation, because if it cannot, out of its earnings of £720,000 per annum and out of the amount of these charges of £420,000 per annum, make provision for depreciation, then there is something very wrong.

In short, we are going to increase the charges which amount to £420,000; and that sum is a reduction of £15,000 on last year's figure. At the end of June, the collections from fees—quite apart from the sale of by-products or anything else—amounted to £435,996. If we take last year's figures and add 25 per cent. to them—and I am allowing for the decline the Minister has forecast—the additional amount will be £118,000.

I suggest, that we do not know all of the story; we do not know what is being charged as maintenance; and we do not know what component parts are included in the fees for the purpose of redeeming, over a short period, charges for capital expenditure. But we do know this that the added revenue approaching £120,000 will not be borne by the butchers at either the purchasing end or the retailing end, so that there will be £120,000 less paid to the producer than would otherwise have been paid. Never mind the fractional charge applying to the total amount of meat, because no one is going to be charged an extra farthing; but someone is going to pay £250,000 for the added amount of £120,000 that the master butchers will have to pay. Make no mistake about it, that sum will be passed on to the consumer.

So, shorn of all the irrelevancies in the Minister's reply, the position is that an average increase of 25 per cent. has to be met in charges; and that is not only condoned but strongly advocated by the Minister—the Minister who a year or two ago was most vocal in this Chamber against such matters. The attitude displayed is a strange one, particularly when from the latest available report of the Auditor-General we can see that there has been a transference of actual profits to an account for abattoir extensions, and that there is some provision in the depreciation account. But what the total sum is, we do not know.

I repeat that the added charges are unnecessary at this stage; and until we get the full picture of the needs of the abattoir for these increases, we should not agree to them, because I am quite sure that the next step by this Government will be to increase all the relevant charges associated with the abattoir and the cool storage facilities. I hope that the House will, in spite of all that the Minister had to say in criticism of the motion, reject the regulations, the subject of this motion. I express that hope, because I would be the first one to assist the Minister in giving effect to the imposition of an increase if,

within a month or two on a clear presentation of the accounts of this instrumentality, a need for an increase was shown. For the time being, however, I hope that these regulations will be disallowed.

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

Ayes—12.

Hon. G. Bennetts	Hon. H. C. Strickland
Hon. E. M. Davies	Hon. J. D. Teahan
Hon. W. R. Hall	Hon. R. Thompson
Hon. E. M. Heenan	Hon. W. F. Willsees
Hon. R. F. Hutchison	Hon. F. J. S. Wise
Hon. G. E. Jeffery	Hon. F. R. H. Lavery

(Teller.)

Noes—16.

Hon. C. R. Abbey	Hon. G. C. MacKinnon
Hon. N. E. Baxter	Hon. R. C. Mattiske
Hon. J. Cunningham	Hon. C. H. Simpson
Hon. A. F. Griffith	Hon. S. T. J. Thompson
Hon. J. G. Hislop	Hon. J. M. Thomson
Hon. A. R. Jones	Hon. H. K. Watson
Hon. L. A. Logan	Hon. F. D. Willmott
Hon. A. L. Loton	Hon. J. Murray

(Teller.)

Majority against—4.

Question thus negatived.

BILLS (10)—FIRST READING

1. Church of England in Australia Constitution Bill.
2. Supreme Court Act Amendment Bill.
3. Judges' Salaries and Pensions Act Amendment Bill.
4. Stock Diseases Act Amendment Bill.
5. Land Act Amendment Bill.

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

6. Metropolitan (Perth) Passenger Transport Trust Act Amendment Bill.

Bill received from the Assembly; and, on motion by the Hon. L. A. Logan (Minister for Local Government), read a first time.

7. Administration Act Amendment Bill.

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

8. Vermion Act Amendment Bill.

Bill received from the Assembly; and, on motion by the Hon. L. A. Logan (Minister for Local Government), read a first time.

9. Fruit Growing Industry Trust Fund Committee (Validation) Bill.

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

10. Native Welfare Act Amendment Bill.

Bill received from the Assembly; and, on motion by the Hon. L. A. Logan (Minister for Local Government), read a first time.

INTERSTATE MAINTENANCE RECOVERY ACT AMENDMENT BILL

Second Reading

THE HON. L. A. LOGAN (Midland—Minister for Local Government) [5.26]: I move—

That the Bill be now read a second time.

First of all I must apologise to both *Hansard* and Mr. Strickland. On opening my folio I notice I have only one copy of my notes on this Bill. I will, however, endeavour to see that this does not happen again with any of the other Bills I might introduce.

The Interstate Maintenance Recovery Act is an Act relating to maintenance recovery and reciprocity between Western Australia and other parts of the Commonwealth and New Zealand with respect to the service of summonses for maintenance and the enforcement of maintenance orders, to amend the Child Welfare Act, 1947-1958, and for other purposes. This Act was assented to on the 15th October, 1959, and was to come into operation on a day to be fixed by proclamation.

The Act was not proclaimed as it was discovered that for a justice of the peace to sit, or for a children's court to sit, as provided for in subsection (4) of section 8, would have been contrary to the provisions of the Judiciary Act (Commonwealth) which legislation governs the determination of cases where the parties are residing in different States. The proposed amendments are essential to rectify the position.

A further small amendment is proposed in connection with section 10. As the words "by any justice or by any court" are considered to be redundant, and as redundant words may lead to confusion, it is proposed to delete them. In section 10, where it states that a summons for maintenance has been issued, or a maintenance order has been made, it is understood that such summons or maintenance order will have been "regularly" issued or "regularly" made.

The proposed amendments to section 8 are contained in clauses 3(a) and 3(b). Section 8 determines who may hear maintenance cases. To conform with the requirements of the Judiciary Act (Commonwealth) it is necessary to provide that a stipendiary magistrate shall sit alone and not as at present provided, whereby a justice must also sit.

The Child Welfare Act, 1947, empowers members of the Children's Court to exercise jurisdiction. To conform with the Judiciary Act (Commonwealth), it is now necessary to provide that in the matter of maintenance proceedings under this Act, jurisdiction shall be limited to a special magistrate sitting alone.

Clause 4 seeks to amend section 10 of the principal Act. Section 10 provides for the service in Western Australia of a summons for maintenance or other process relating to a maintenance order. The words "by any justice or by any court" are redundant and may lead to confusion. Therefore this amendment seeks to delete those words.

Clause 4 seeks to amend the Act to conform to the Judiciary Act (Commonwealth). Clause 5 is consequential upon that proposed amendment and seeks to amend section 18 of the principal Act.

THE HON. J. G. HISLOP (Metropolitan) [5.30]: I would like to ask the Minister a question in connection with this Act. Has any progress been made in the search for husbands who have deserted their wives in this State by going interstate? Has there been any co-operation between the police forces of the various States in trying to apprehend such persons? There is still a number of individuals in this State who have found it impossible to trace their husbands. I understand the last time this matter was before the House an attempt was made to organise something on that basis.

On motion by the Hon. H. C. Strickland, debate adjourned.

LOCAL AUTHORITIES, BRITISH EMPIRE AND COMMONWEALTH GAMES CONTRIBUTIONS AUTHORISATION BILL

Second Reading

THE HON. L. A. LOGAN (Midland—Minister for Local Government) [5.31]: I move—

That the Bill be now read a second time.

This Bill is to authorise local authorities to expend amounts exceeding three per centum of their ordinary revenue for purposes connected with the preliminary arrangements for and the holding of the Empire Games in Perth. The Bill affects section 335 of the Road Districts Act, 1919, and section 480 of the Municipal Corporations Act, 1906.

In submitting its case, the Perth City Council guaranteed an expenditure of £1,167,000 in preparation for the Empire Games should they be allocated to Perth. Perth won nomination for the Empire Games on the 6th June, 1958, by majority vote of the Australian, British Empire and Commonwealth Games Association. The final recommendation was then forwarded to the British Empire Games Federation in London. This procedure was necessary because the association at the Cardiff games had to make a claim for Australia.

With a view to pressing Perth's case the Lord Mayor (Mr. Howard) went to Cardiff knowing that if the decision were left

to Australia, then Perth would get the games. The following items were included in the guaranteed sum:—

	£
Construction of an Olympic pool	230,000
Stadium at Perry Lakes	400,000
First-class accommodation at the village adjacent to Raebold Hill	300,000
Velodrome	87,000
Improvement to Leederville Oval	50,000

The Commonwealth guaranteed amounts to £100,000; and £200,000 was guaranteed by Mr. Hawke, who was then Premier. Perth City Council rating at that time was 2s. 6d. in the pound and expenditure on the games was estimated to add a further 1½d. in the pound to city rates.

The Local Government Department has been approached by a member of the committee organising the games with an official inquiry as to the power under the Act for road boards and municipal councils to assist in financing the project. Inquiries were made as to what extent local authorities abutting the city council could be expected to assist, and also those further removed which might desire to be associated with the games' preparations. I might add that I received a deputation, and I promised I would send to the local authorities a questionnaire asking them whether they would be prepared to assist or otherwise.

The answer given was that local authorities abutting the city boundaries could assist under section 359 of the Road Districts Act. Municipalities also could assist subject to the Governor's approval under section 480 (1) (b) (ii) of the Municipal Corporations Act. This was, however, the limit to which the Perth City Council could expect financial assistance from local authorities under existing legislation, with the exception, perhaps, of assistance through the 3 per cents. Section 335 of the Road Districts Act and section 48 (1) (a) of the Municipal Corporations Act here apply.

The members of the committee organising the games are hopeful of other local authorities being able to contribute substantial sums to the outlay on the games. Such expenditure could hardly be expected from distant local authorities through their 3 per cents. It is accordingly desirable to effect some small amendment to the Act to permit all local authorities desirous of doing so to be associated with the preparations for the games.

The previous Government undertook to guarantee no less than £200,000 towards the games; and this Government desires it to be known that it is equally behind this guarantee. The Government is desirous of backing up to the fullest degree the enterprise shown by our Lord Mayor in

clinching the games; and by the previous Government in the encouragement which it gave.

All members of Parliament are well aware of the heavy drain which is placed upon the local authority 3 per cents. It may be considered fitting for me to pay a tribute to the work carried out by local authorities. Apart from the actual clerical work done in road board offices, all work is of an entirely honorary nature; and there is little doubt that within the districts of the local governments there are many calls on the 3 per cents. Consequently, it is not considered fair that funds should be sought from the 3 per cents. for this purpose.

In response to a suggestion put forward by me to the department, local authorities were circularised with a view to ascertaining those that were in favour of making donations or payments to the Empire Games Fund. The results of the questionnaire revealed that there was a sufficient number in favour to justify my giving expression to their views through the introduction of this legislation.

I would point out that six local authorities said they would not contribute anything; 77 said they were prepared to make a donation from their 3 per cents; and 44 asked for special legislation to enable them to make a greater contribution. Therefore, because quite a large number of local authorities requested that they be allowed to pay more, I think it is right and fitting that they should be given the opportunity. There is nothing compulsory about it; it is left to a local authority itself to decide whether it wants to make a contribution or otherwise.

Members will recall that in connection with the University Medical School appeal exactly the same type of Bill was introduced, and it functioned satisfactorily and was greatly appreciated by local authorities.

On motion by the Hon. E. M. Davies, debate adjourned.

STATE CONCERNS (PREVENTION OF DISPOSAL) BILL

Second Reading

THE HON. H. C. STRICKLAND (North) [5.38]: I move—

That the Bill be now read a second time.

This Bill proposes that before State trading concerns, or any other concerns which are owned by the State, can be disposed of or leased for any term, the approval of Parliament must be obtained. The reason for introducing this type of legislation is simply to protect the assets of the people. A lot of public money is tied up in trading concerns and concerns which do not actually come under the

State Trading Concerns Act, but are still trading concerns—and the amount runs into many millions of pounds.

For that reason, it is fit and proper that Parliament should decide whether the concerns should be dispensed with or sold; or, more important still, whether the price to be received for the assets of the concern is adequate, fair, and reasonable, and whether it reaches the current valuation. My party is very concerned at the constant propaganda which is circulated by the Liberal Party to the effect that it has a mandate to dispose of State trading concerns and State utilities. The concern is, of course, that they will be and could be given away. When I say "given away" I do not mean a direct gift; but given away in the language used by business people. Something is given away below its true value—it is a bargain.

The Hon. A. F. Griffith: When you say "given away" you do not mean "given away."

The Hon. H. C. STRICKLAND: I do not mean a gift. I mean that the assets of the people should have a worthy current valuation; and it is the responsibility of Parliament to see that those assets are protected and are not given away below a fair and reasonable price. We know that a current valuation could be placed on a particular concern which may be out of all proportion to its real value. There could be some exceptional circumstances at the time which would enhance the capital value of the concern. There is a real value; and it is the real value which should be protected. For those reasons, this Bill is submitted.

If members followed questions asked in Parliament during the last session, they will recall that it was not possible to obtain from the Premier what he considered to be a fair and reasonable price; a fair and reasonable value; or the present-day value of all the State trading concerns and public utilities which are run on a profit-making basis.

The Hon. A. F. Griffith: What about those run at a loss?

The Hon. H. C. STRICKLAND: I am afraid the Minister will not be able to sell those run at a loss. I am not worried about them. An unprofitable business is something that cannot be given away. I am not concerned about the undertakings that are making a profit simply because they are making a profit; I am concerned because I am aware of the purpose for which they were established, and the purpose for which they are operating. That purpose is to set a fair and reasonable price for and a fair and reasonable control over the commodities in which they deal. There is not the slightest doubt that the State sawmills and the State brickworks have had a very great influence upon the retail prices of their products; and this,

of course, is reflected in the building industry. Those concerns have had a steady-ing and governing effect since price control was abolished.

It is little wonder to me that the exponents of what they term free enterprise would be anxious to see the end of any trading concern which may have a governing effect upon the price of commodities. If their policy and their belief is such, it is quite all right; it is their business. But I believe—and more than one Parliament in Western Australia has agreed over the years—that State trading concerns are doing an excellent job. They were established by different types of Governments, and they have been carried on and operated by various types of Governments; and the only Government which has repeatedly stated that it will get rid of these State enterprises is the present Government. As a matter of fact, the Premier has stated publicly on more than one occasion that he would even be prepared to go further than trading concerns; he would dispense with public services such as the railways, if he could get a buyer.

The Hon. G. Bennetts: He couldn't give them away.

The Hon. H. C. STRICKLAND: I read in last week's *The Farmers' Weekly* that the Minister for Agriculture, I think it was, when speaking to a gathering of farmers somewhere down in the Great Southern, said that he would sell the railways if he could get a buyer.

The Hon. A. F. Griffith: That's one you are not worried about.

The Hon. H. C. STRICKLAND: Of course we are not worrying about the railways, because the Government cannot give away any concern that is showing a loss; and the railways are not governing any prices while the Transport Act exists. At the moment, if the road operators had an open go, one would find the railways would have the effect of governing prices—a very definite effect. The same thing applies to the State Shipping Service, which services one half of Western Australia; it delivers goods to and brings products out of the North at a reasonable price, but it makes a loss.

The State Shipping Service is termed a trading concern under the State Trading Concerns Act. It is a public service. I claim, Mr. President, that the State Shipping Service does exactly the same for the northern area of the State as the railways do for the inland and southern areas, in that it provides an essential service; and nobody can grouse about the cost of a service such as that, providing it is not an extravagant service.

I can claim that it is not an extravagant service. Members will remember that the railways were thought to be an extravagant service, and a motion was introduced

into Parliament, and supported by Parliament, to the effect that it was an extravagant service in the way it was being run. Now we find that with a change of Government there has also been quite a change of heart in relation to railways by some members of Parliament; and we see some railways operating again but not as extravagantly as they were previously. But still, they are essential services and nobody can grouse about the loss which they incur, because they are absolutely necessary for industry and for the development of the country.

But when we come to direct trading concerns such as the brickworks, the saw-mills, the meat export works, abattoirs, saleyards, the R. & I. Bank, the State Government Insurance Office, Chamberlain Industries, and many others, I say they are doing an excellent job; and they have been proved over the years to have done an excellent job, because they have had the effect of virtually policing the price of the commodities they produce and the services they give; and the State has prospered under their existence. I am not saying the State has prospered because of their existence, but it cannot be claimed that the State has stood still or stagnated under their existence. As a matter of fact, the very opposite has happened in the last decade. Western Australia has never known such prosperity; and it is mounting each year to the extent that these services are absolutely necessary, and will be necessary, to continue the sound economy of Western Australia.

The Hon. A. F. Griffith: I heard it suggested in the House not so long ago that there were people starving in this country.

The Hon. H. C. STRICKLAND: There are, unfortunately, some people starving in this country. There are some people starving in the metropolitan area—or near to starving—and the Minister for Child Welfare knows a little bit about that.

The Hon. L. A. Logan: Nobody starves.

The Hon. H. C. STRICKLAND: He was able to take 17s. 6d. from them. They may not be starving, but they are having to exist on 17s. 6d. less per week.

The Hon. G. Bennetts: They are down to bread and jam now!

The Hon. H. C. STRICKLAND: They will be on edible tallow soon! I mentioned earlier that quite a deal of propaganda has been put out by the Liberal Party in connection with its claim that it has a mandate to sell State trading concerns; and some of the propaganda which has been put out within the last few months does not bear examination. It was not authentic; nor was it correctly put out to the public. A pamphlet was published, and while it stated some amounts correctly it was misleading to readers. It was headed—

Plain Facts About the Sale of State-owned Trading Concerns.

It stated—

In four years under the Hawke Government the loss on State trading concerns reached £7,570,517.

The pamphlet did not analyse just what those State services were; or it did not analyse them correctly. It did not, for instance, show that in the five years from 1953-54 to 1958-1959, the following results were achieved during the Hawke Government's regime:—

State brickworks and State sawmills showed a loss of £114,000.

The Wyndham Meat Works showed a profit of £184,000.

W.A. Meat Export Works showed a profit of £39,000.

State Hotels showed a profit of £19,000.

State Engineering Works showed a profit of £455,000.

But the State Shipping Service, during those five years, showed a loss of £8,400,000.

So we see that the figures were not presented absolutely correctly because, as I mentioned earlier, the State Shipping Service is a service. The pamphlet could have shown, for instance, that the railways, during the five years, lost £20,000,000; but the pamphlet did not. It would have been just as pertinent to have inserted in the pamphlet, and included in the State trading concerns, the railways, the tramways, the ferries, and the Goldfields Water Supply or any other water supply. But the pamphlet did not do so. The Liberal Party simply issued a pamphlet which deliberately set out to mislead those who read it. The party also omitted to add to the pamphlet that the R. & I. Bank showed a profit of £215,000; the State Electricity Commission £540,000; and the Government Insurance Office a surplus of £380,000 during those same five years, 1954 to 1959. So there was a total surplus from those three institutions of £1,135,000; which is absolutely forgotten in the propaganda that is delivered around the metropolitan area for people to read. This propaganda has probably gone to the country; I do not know.

The facts are that the Government—and the Liberal Party in particular—is going to extremes in order to justify some action which it may take in the future to dispense with some or all of the State trading concerns. So, surely it is fair and reasonable that Parliament should have some say in what is going to happen to those concerns? Every member of Parliament is sworn to protect the people's assets. It is one of the oaths that we take; and it is our responsibility to see that those assets are not depreciated to an extent where they could be almost worthless.

We know that the Government has already taken action in connection with the State Engineering Works which could have the effect of reducing its current value as a works. The same thing could be said about the State Building Supplies. If the Government chooses—and it has done this—to ignore altogether the State Building Supplies for its requirements, and if it chooses to pay a higher price for goods outside, and not to patronise its own instrumentality, it must be depreciating the value of that instrumentality; and it is unreasonable that the people of the State should not have any say until after that instrumentality has been depreciated and dispensed with, if not closed up.

We know the Premier has from time to time claimed a mandate to dispose of all of these concerns, or any of them; in his own words, he would go as far as to dispose of the services themselves—the railways, and the State Shipping Service. On television, he mentioned that if he could get a buyer he would dispose of the State Shipping Service. I have no doubt he could get a buyer for the State Shipping Service if the price to the buyer was favourable.

Imagine the Wyndham Meat Works being sold at their present-day book value! Last year in another place the Leader of the Opposition attempted to find out the current or estimated value of these works; and only yesterday a similar question was asked by some other member in another place with respect to Chamberlain Industries and the State brickworks. But it was not possible to get any idea of the Government's estimate of the value of these undertakings.

However, I think we can get some idea of the value of the Wyndham Meat Works if we look at the 69th report of the Auditor-General, which is available to members, because at page 197 we see the accounts for the Wyndham Freezing and Canning Meat Export Works. The capital provided from General Loan Funds, and from the Consolidated Revenue Fund—only a small sum was involved in this fund, namely £11,273—or the total liability to the Treasury after 40 years' operations is £1,257,246. But do not let us forget that the building of the meat works themselves, as well as 16 miles of water mains from the King River, is included in that sum.

I am not certain, but I have an idea that the original jetty at Wyndham was also built from money included in the total I have mentioned. The Wyndham Meat Works water supply is used by the people in the town of Wyndham itself as well as by the meat works, and it is run at a loss to the works. Yet, despite all these factors, the total indebtedness to the Treasury is only £1,257,246, which is approximately £30,000 a year for the 40 years of operations; and during that period

the meat works have given a most satisfactory service. Last year 36,000 cattle were treated and, speaking from memory, the value of the products was well over £1,000,000. This year something like 33,000 cattle will be treated, and again the value of the products will be well over £1,000,000.

Imagine a works of that description being sold at its present-day book value! I would not attempt to estimate what it would cost to build a similar works anywhere else in the North-West, or indeed anywhere else in Western Australia. Members can imagine what the cost would be to build a similar works in an isolated area such as Wyndham, where the transport costs are almost equal to the cost of the materials involved. I would say the cost would be about £4,000,000 or £5,000,000; in fact, I do not think a works could be built even for that figure. A small works was built in Queensland, just out from Townsville, about two years ago. It is capable of treating only a small number of cattle—something like 400 a day—but it cost approximately £1,000,000. That is only a minor works as compared with the Wyndham Meat Works.

There is a small treatment works at Derby. That was built within the last couple of years, and although the cost was approximately £500,000 it has hardly any capacity for the killing of beasts; it is merely a staging and treatment works for the Glenroy Air Beef project.

So when we analyse the possibilities, and in some cases the probabilities of the people's assets being dissipated and depreciated by this Government, and then either leased or disposed of without any reference to Parliament until an agreement has been signed and Parliament is asked to ratify it, I think it is time that members gave serious consideration to their responsibilities in the matter. They should ensure that at least they will be able to have some say in the protection of the people's assets; and they can do that by allowing this Bill to become law, thereby ensuring that the disposal of any State concerns or public utilities, such as the R. & I. Bank, Chamberlain Industries, the State Government Insurance Office, and others will not be proceeded with without the sanction of Parliament. If the Bill is agreed to, members will ensure that the public's assets are not given away at a figure much below their valuation.

THE HON. E. M. HEENAN (North-East) [6.7]: This is a very short Bill and the principle involved is a straightforward one which can be dealt with without a great deal of debate. The Bill simply states that no State-owned instrumentality or State trading concern shall be sold or leased without the approval of Parliament. I will be greatly surprised if the Minister or any other members in the House oppose

the Bill because, as Mr. Strickland pointed out, it is surely the duty and obligation of members of Parliament to protect the public's assets. Even though it might be the policy of one particular party to dispose of State trading concerns, surely that party would appreciate the necessity of obtaining the approval and consent of Parliament before taking such a vital step.

I think we provide now that railway lines cannot be pulled up or services discontinued without the approval of Parliament. Another instance that comes readily to mind is the legislation relating to Kings Park. No portion of that reserve can be leased without the approval of Parliament. If there is any merit in those provisions—and no doubt there are others, but those are two that come readily to mind—surely it is reasonable that if any party in pursuance of its policy proposes to sell a public asset, be it a State hotel, the State brickworks, or some other instrumentality—whether it is making a profit or a loss is beside the point—it should place such a proposal, giving all the merits or demerits, before Parliament so that a decision can be made.

If a party goes to the country and is elected on a policy, and gets the requisite numbers to form a Government, it will undoubtedly be able to carry through such a proposition. But I would say that this would be a safeguard. It is a measure that should be welcomed by all Governments, irrespective of their political colour, and I think it has considerable merit. Mr. Strickland has enhanced his argument by going into aspects which at this stage I think are unnecessary. The Bill simply deals with a straightforward proposition and I think we could end the matter there without arguing whether it is a good thing to sell the State hotels, or the State brickworks, or whether we should keep them. What I think every member will applaud is the proposal that in future, when it is proposed to dispose of any of these assets, Parliament will be the final voice.

I repeat that if the principle applies to the pulling up of railway lines, or to the leasing of Kings Park, surely it should apply in much more serious instances where valuable public assets are involved. Therefore I wholeheartedly support the Bill and commend Mr. Strickland for having introduced it.

On motion by the Hon. A. F. Griffith (Minister for Mines), debate adjourned.

ADJOURNMENT OF THE HOUSE: SPECIAL

THE HON. A. F. GRIFFITH (Suburban—Minister for Mines): I move—

That the House at its rising adjourn till 2.30 p.m. tomorrow.

Question put and passed.

House adjourned at 6.13 p.m.