Legislative Council

Tuesday, 29th September, 1953.

CONTENTS.

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

QUESTIONS.

RAILWAYS.

As to Freight Revenue from Fuel Oil, Esperance Line.

Hon. G. BENNETTS asked the Chief Secretary:

(1) Will he tell the House what amount of revenue was recoverd in freight on fuel oil on the Esperance line for the year 1951-1952?

(2) What would be the amount expected to be recovered in a similar period, on the increased charges?

The CHIEF SECRETARY replied:

(1) £85,612.

(2) £111,296 for the same tonnage.

WATER SUPPLIES.

As to Consumption in Goldfields Areas.

Hon. G. BENNETTS (for Hon. J. M. A. Cunningham) asked the Chief Secretary:

(1) What was the total consumption of water by domestic users in Kalgoorlie, Boulder, Coolgardie, Norseman and Southern Cross areas—

(a) for the six months ended the 30th June, 1953;

(b) for the same period in 1952?

(2) What is the total number of domestic consumers for these areas?

(3) What saving was effected by the voluntary reduction during restrictions in 1953?

(4) How does the Minister account for the enormous increase in consumption of excess water (in some cases double) when stringent restrictions are imposed?

(5) Is the Minister aware that, on two occasions, restrictions imposed on the Goldfields have coincided with record wet seasons in Kalgoorlie and that, in each case, assessments have indicated a considerable increase in water consumption?

(6) Is there a method which permits meters used on domestic supplies to be adjusted, to register faster or slower irrespective of the actual flow of water through the piston mechanism?

The CHIEF SECRETARY replied:

(1) Consumption figures are not compiled on a half-yearly basis. A great deal of work would be involved in the abstraction from ledgers of the information requested. On a yearly basis the domestic consumptions were:—

	Year ended 30/6/52 Million Gallons.	Year ended 30/6/53 Million Gallons.
Kalgoorlie and Boulder	414	453
Coolgardie	10	10
Norseman	35	37
Southern Cross	10	10
Total	469	510

(2) Actual consumers are unknown, but domestic services number 8,010.

(3) Approximately 15,000,000 gallons.

(4) The reference to an enormous increase in excess water is not understood, as the total consumption showed an increase of 41,000,000 gallons above the previous year, or approximately 8.7 per cent. The main factors contributing to this increased consumption were—

(a) Increase of services by some 2 per cent.

(b) The four summer months of December to March were much hotter and drier in 1952-53 than in 1951-52.

(5) Yes, but restrictions were imposed before summer rains fell and then lifted when conditions permitted.

(6) Tampering with meters can affect accuracy of recordings and, when detected, prosecution follows.

S.P. BETTING.

(a) As to Report by Commissioner of Police.

Hon. A. R. JONES (for Hon. L. A. Logan) asked the Chief Secretary:

(1) Has the Minister read that portion of the report of the Commissioner of Police in "The West Australian" of Wednesday, the 23rd September, under the heading of "Disturbing," wherein the

Commissioner is reported to have said that a further disturbing feature was the fact that for a long period of years some country towns had received much more consideration than others, in the control exercised over s.p. betting? Is the Minister also aware that the Commissioner is further reported as saying that this state of affairs was responsible for dissatisfaction among police officers and had a detrimental effect on their efficiency, conduct and discipline?

(2) In view of this statement, will the Minister advise the House—

(a) Were the same instructions on s.p. betting issued by the Commissioner to all his officers throughout the State;

(b) if not, why not;

(c) if the answer to (a) is in the affirmative, on whose instructions have these orders been altered or countermanded;

(d) if the Commissioner is not responsible for instructions on s.p. betting to his district officers, who is responsible and why have these instructions varied from town to town?

The CHIEF SECRETARY replied:

(1) The Minister has read the report of the Commissioner of Police.

(2) (a) The Commissioner of Police advises that there is no variation in instructions given by him to his officers throughout the State, in relation to s.p. betting. He states, however, that different phases of the law are not the subject of hard and fast instructions by the Commissioner to his officers; such law is acted upon in accordance with the general interpretation therof, unless some specific clauses require to be clarified, in which case advice is obtained.

(b) Answered by (a) above.

(c) and (d) As far as the Commissioner is aware, no instructions have been given to alter or countermand those given by him. Street betting is not an offence in itself. Where street betting takes place, the only offence chargeable is under the traffic regulations for obstruction, when the elements of that offence are present. The offence is capable of wide interpretation, and in view of public opinion on the question, obviously considerable latitude has been given, extending over a period of years. Such a state of affairs is considered to be a cause for dissatisfaction, where the only means of minimising abuses arising out of street betting is to prosecute for obstruction, such practice being detrimental to the efficiency, conduct and discipline of the Police Force.

(b) As to Introducing Amending Legislation.

Hon. A. F. GRIFFITH asked the Chief Secretary:

(1) In view of the statements contained in the report of the Commissioner of Police tabled on the 22nd August, to the effect that a disturbing feature was that some country towns had received much more consideration than others in the control exercised over s.p. betting, does he consider this state of affairs should continue?

(2) Is it the intention of the Government to bring down at some future date, legislation to amend the law regarding s.p. betting?

(3) Will he inform the Commissioner that both before and after any amendments to the law are passed by Parliament the Government wishes the law as it stands to be enforced in all parts of the State?

(4) If the answer to No. (3) is in the negative, what towns or districts does he desire to receive special treatment?

The CHIEF SECRETARY replied:

(1) Consideration is being given to this.

(2) Answered by No. (1).

(3) and (4) The Commissioner of Police is empowered to administer the Police Act without direction from the Minister. Street betting is not an offence in itself and the Commissioner advises that where street betting takes place the only offence chargeable is under the traffic regulations for obstruction, when the elements of that offence are present.

BILL—INCOME AND ENTERTAINMENTS TAX (WAR TIME SUSPENSION) ACT AMENDMENT.

Second Reading.

Debate resumed from the 24th September.

HON. H. K. WATSON (Metropolitan) [4.45]: Over the week-end I spent as much time as possible in considering the entertainments tax proposals introduced by the Chief Secretary last week. I confess, speaking for myself, that I would prefer much more time to investigate these proposals and all their implications. That which is done hastily is seldom done prudently, efficiently or justly, and I appeal to the Chief Secretary to proceed with this matter at a little more leisurely rate; to make haste slowly and to drop the rather unseemly haste with which the Bill has so far been considered.

I make an appeal to the Government to take more time to consider whether it is fair or just to tax admission charges as low as 1s. 6d.; whether it is fair or just to penalise the working man and his entertainment to that extent and on such low prices. I ask the Government to take more time to consider what concessions ought to be extended to live shows, that is, to theatrical companies and so on which, I understand, spend 90 per cent. of their takings in the places where they hold their entertainments.

They are entitled to some special consideration. I appeal to the Government to take more time to consider the exemption of amateur athletic entertainments and sporting entertainments generally—cricket, football, hockey, golf, tennis and so on. It may be that the Government has in mind exempting some of these entertainments and organisations, but, if that is so, I suggest that the Bill containing all these proposals should be before Parliament at the time when it is considering whether it will agree to the reimposition of entertainments tax.

Take football, for example. I understand that the football season ends in a fortnight's time. If admissions to football matches, and particularly to the final matches, are to be exempted by legislation yet to be introduced, the position will be this: If the legislation now before the House were passed, the matches for the next two weeks would not be exempt from admission tax. To my mind, the Government should give some consideration to exempting amateur athletic entertainments generally.

The Government should also consider the question of exempting outback centres, other than those north of the 26th parallel. I suggest that Sandstone, Laverton, and even Esperance, are entitled to some consideration. The Government ought to ascertain whether it can, with justice or decency, proceed with these proposals to levy entertainment tax on the people of Western Australia, having regard to the express reason why the Federal Treasurer decided to relieve the people of this State and other States of entertainments tax.

As I see it the Government's proposals are morally indefensible, legally questionably, financially unwise and dangerous, and probably futile. Payments under the uniform taxation system operating between the Commonwealth and the States, which is now in its 12th year, embraced income tax and entertainments tax, and grants paid to this State by the Commonwealth Government under the States Grants (Entertainments Tax Reimbursement) Act have always been paid and still are being paid to this State as a recompense and in consideration of the State having given up its right to impose income tax and entertainments tax. I think we should get that very clear.

At present we are receiving from the Commonwealth Government, under a definite arrangement between that Government and the States which has been in operation for 12 years, a Commonwealth grant which is being paid to us today as a tax reimbursement; and which is being paid to us because we have given up the right to impose income tax and entertainments tax. So long as we get a grant from the Commonwealth Government under the State Grants (Entertainments Tax Reimbursement) Act, and in accordance with the formula laid down in that Act, which covers a grant for the reimbursement of entertainments tax and income tax, I suggest we have no right whatever to impose entertainments tax or income tax in Western Australia.

I would like the Minister to remember that because we gave up the right to levy entertainments tax, the Commonwealth reimbursement grant is greater than it otherwise would have been. The original decision to abandon State income tax and State entertainments tax was made in 1942. It was made as a temporary wartime measure in that year when the Commonwealth Government passed two reimbursement Acts; one was the State Grants (Income Tax Reimbursement) Act which was to reimburse us to the extent of our having ceased to collect income tax.

The other tax was the States Grants (Entertainments Tax Reimbursement) Act which provided for a grant to this State in consideration of the State having given up the field of entertainments tax. In 1946 it was determined that what had been commenced as a temporary wartime measure should be continued as a permanent peacetime measure and, accordingly, in 1946 the Commonwealth Government repealed the States Grants (Income Tax Reimbursement) Act and the States Grants (Entertainments Tax Reimbursement) Act and embodied them in the one Act which was known as the States Grants (Tax Reimbursement) Act. I think we should remember what Mr. Chifley had to say in introducing the amending legislation in 1946. He said—

> Under the present legislation separate tax reimbursement grants are paid to each State concerned in respect of income tax and entertainments tax respectively. It is now proposed to combine these payments so that as from the 1st July, 1946, the reimbursement in respect of both income tax and entertainments tax will be covered by the one grant.

It is no concern of ours whether the Commonwealth Government reduces income tax by 15, 20 or 50 per cent. It is no concern of ours whether the Commonwealth Government reduces entertainments tax by 15, 50 or 100 per cent.

So long as the Commonwealth Government pays us the grant it has agreed to pay us under the agreed formula in consideration of our not imposing entertainments tax and income tax—and it is still doing that—we are really precluded from imposing either of those taxes and that is implicit in the whole of the uniform arrangement. It is not as though the Commonwealth Government by arrangement with the States, at a financial conference dealing with financial relations between the Commonwealth and States, decided to abolish entertainments tax as part and parcel of such an arrangement. The position is very different. The decision to abolish entertainments tax formed no part of any arrangement at any financial conference and the States are still getting their full recompense and grant from the Commonwealth Government.

Hon. Sir Charles Latham: They are not losing revenue by it.

Hon. H. K. WATSON: Not at all. The reason why the Commonwealth Government did remit entertainments tax to the extent of 100 per cent. was very clearly set forth by Sir Arthur Fadden in his Budget speech wherein he made it clear that the Commonwealth Government was remitting entertainments tax to the extent of 100 per cent. not for the purpose of permitting the States to step into the field he was vacating, but for the following reasons:—

> The Government proposes to abolish entertainments tax and the abolition will become effective in regard to entertainments held on and after 1st October, 1953. This tax has largely been levied upon those popular entertainments which, in modern times, people have come to value as part of the normal enjoyments of life. Its removal must therefore be regarded as an aid to both family and individual budgets.

That is why the entertainments tax was remitted by the present Commonwealth Treasurer. Here is another point. Although income tax was reduced a couple of years ago, it was later increased, and has now again been reduced. It may be increased once more next year and that may also be the case with entertainments tax.

Although the entertainments tax has been completely remitted by the recent Federal Budget, who is to say that in the next Federal Budget the Commonwealth Treasurer, either from inclination or from necessity, may feel disposed, or find it necessary, to reimpose the tax? The whole point is that the fields of entertainments tax and income tax are left to the discretion and exploitation of the Commonwealth Government. So long as that Government is paying the State an amount which it has agreed on because of the States keeping out of those fields of taxation, then it is entirely within the province of the Commonwealth Government to impose entertainments tax or income tax or not to do so.

The point is, the Commonwealth must have the discretion to say whether it will, or will not, impose that taxation. The field must be left to the Commonwealth Government, because if next year the Commonwealth Government decided to impose entertainments tax, what a mess the people in Western Australia would be in if they had to pay both the State entertainments tax and the Federal entertainments tax.

Hon. C. W. D. Barker: That is not likely.

Hon. H. K. WATSON: It could happen. We should bear in mind the fact that there may be a change of Government in the Federal sphere next year, and it was Mr. Chifley who, in 1942, decided to bring entertainments tax into the Commonwealth field.

Hon. H. Hearn: Do you think they may be as hungry as our State Government?

Hon. H. K. WATSON: One never knows; it is by no means beyond the bounds of possibility. This year, under the agreed formula, Western Australia received a tax reimbursement from the Commonwealth Government amounting to £9,590,000. That is to cover income tax and entertainments tax. Accordingly we have no right to impose either of those taxes. Over and above that—that is, over and above the statutory grant according to the approved formula—the Commonwealth Government has this year given to our State Government as an extra tax reimbursement—purely as an act of grace—a further £1,707,000. This latter amount was a supplementary grant likewise given to the State on the fixed understanding that it would not impose income tax or entertainments tax.

I understood the Chief Secretary to suggest that even if the legislation now before us were not passed, the State Treasurer would have the power immediately to impose a State entertainments tax. It might be that he has that power, just as he could impose a State income tax or rob a bank or commit a murder, but if he did any of those things, he would do so at his peril and must bear the consequences. So, if the State Treasurer did impose an income tax, he would be disentitled to the grant which is at present being paid to him by the Federal Government, and judging by his remarks at the recent Premiers' Conference, our Premier would be the last in Australia to desire to be denied the grant that he is getting under tax reimbursement from the Commonwealth.

Similarly, he may have the power to impose an entertainments tax, but I seriously suggest that if he does so, then technically the present grant could be withheld, or at any rate reduced. These are very serious circumstances involving very serious consequences, and I ask the House to give earnest consideration to them when dealing with the proposal now before us. I trust that I have shown clearly that, as far as the uniform taxation arrangement with the Commonwealth is concerned, the State Treasurer is not entitled to impose an entertainments tax. As between the State Treasurer and the people of Western Australia, let us consider what I regard as the questionable grounds on which the Chief Secretary asked us to accept his suggestion that if the suspension Bill is not passed, the Treasurer already has the power to impose an entertainments tax.

The position briefly is this: In 1942 we had in operation an income tax, a goldmining profits tax, a hospital fund contribution and an entertainments tax. Those four taxes were all covered by the uniform taxation arrangement. In 1942, this Parliament passed a measure to give effect to the arrangement made under the uniform tax scheme. I should like to read the preamble to the principal Act which it is proposed to amend by the Bill now before us. It says—

> Whereas the Government of the Commonwealth formulated a scheme with respect to income tax, usually referred to as the uniform tax scheme: And whereas the scheme aforesaid was subsequently extended to include entertainments tax: And whereas in order for the State of Western Australia to obtain financial assistance from the Commonwealth under and in accordance with the provisions of the States Grants (Income Tax Reimbursement) Act, 1942, and the State Grants (Entertainments Tax Reimbursement) Act, 1942, the State must vacate the income tax and entertainments tax field during the prescribed period: Be it therefore enacted, etc.

Then the Act proceeded to suspend the Income Tax (Rates for Deduction) Act, the Goldmining Profits Tax Act, the Hospital Fund (Contributions) Act and the Entertainments Tax Act for the duration of the war and until the end of the financial year in which His Majesty ceased to be engaged in the then prevailing war. In 1946 that scheme became permanent, but although that is so, the suspension Act was not then amended, but still continued to suspend the four taxes only for the duration of the war. It seems to me therefore that last year a Bill should have been introduced to continue the suspension of those four taxes until Parliament otherwise enacted. The Chief Secretary, in moving the second reading, told us that the war had officially ended on the 30th June last.

The Chief Secretary: I shall correct that later.

Hon. H. K. WATSON: It would appear from the Bill that the war ended on the 28th April, 1952, but, as a matter of law, a war does not end until a peace treaty has been signed between the belligerent nations and has been ratified by them. That was laid down by Mr. Justice Roche in Kotzias v. Tyser (1920) 2 K.B. 69 at pp. 76, 77 as follows:—

> In the first place, the authorities show that, in the absence of any specified statutory or contractual provision to the contrary, the general rule of international law is that, as between civilised powers who have been at war, peace is not concluded until a treaty of peace is finally binding upon the belligerents, and that that stage is not reached until ratifications of the treaty of peace have been exchanged between them.

Incidentally, in a discussion on this question in 1946 as to whether the war had or had not ended or when it would end, the Australian Law Journal pointed out that Dr. Evatt, in the House of Representatives, had stated that the war would not end until a treaty of peace had been concluded. The fact of the matter is that even at this stage, no treaty of peace has been concluded with Germany, for the simple reason that Germany as a nation and a political entity has ceased to exist and is apparently without power to make a treaty of peace. Some documents were signed in April, 1952, whereby it was generally felt that they constituted a cessation of war within the meaning of constitutional law.

At the same time, I remind members of an experience we had last year when we were informed by the then Chief Secretary that he had been advised by the Crown Solicitor that the war had not ended on the 28th April, 1952. This advice was given to us on the 21st October, 1952, when we were considering the Profiteering Prevention Bill which, like this income tax suspension Act, was for the duration of the war, and the same phrasing was used. We were then told that the war had not ended. According to "Hansard" at page 1456 the Solicitor General advised as follows:—

> In my opinion the Profiteering Prevention Act is still in operation. Neither I nor the Deputy Commonwealth Crown Solicitor can anticipate when it will expire. It is now doubtful whether what the local newspapers earlier this year described as a peace treaty with Western Germany was, in fact, anything more than a commercial agreement.

I do not know whether anything has transpired since that opinion was given, but it seems extraordinary that in October of last year we were informed that

the war had not ended, and that now we are advised by the same authority to accept the preamble in the Bill that the war ended on the 28th April, 1952. On reading the Bill, I find that even now the draftsman is not too sure of himself, because Clause 2 reads—

> This Act is deemed to have come into operation on the first day of July, one thousand nine hundred and fifty-three, being the day next succeeding the last day of the first financial year to commence after the date, namely the twenty-eighth day of April, one thousand nine hundred and fifty-two, on which His late Majesty is deemed to have ceased to have been engaged in the war mentioned in section three of this Act.

Whatever the strict legal position may be as between the Government of Western Australia and the people of Western Australia, I suggest that the position vis-a-vis the Commonwealth is crystal clear.

Let us assume that in this extraordinary situation where there was failure last year to continue the suspension of the principal Act, the State Treasurer has the power to impose and collect an entertainments tax. Assume that he is cunning or foolish enough to exercise it; where will that get him? In my commercial and political experience, I have always worked on the principle—never think the other man is as big a fool as yourself, and that is a principle that I would recommend to our Treasurer on this occasion, because I suggest that if he imposes this entertainments tax, Sir Arthur Fadden—or Mr. Calwell, if he happens to be Federal Treasurer in 12 months' time—will say, as any of us would say if we were in that position, "I have given you a grant of £9,595,000, which I have been obliged to give you, to compensate you for keeping out of the field of income and entertainments taxation, but you, of your own free will and accord, have decided to collect £200,000 from the people of Western Australia, in the form of entertainments tax, so I will reduce your grant by £200,000."

If the Federal Treasurer took that stand, who could say him nay? He might not say that he would reduce the £9,595,000 set forth under the rigid formula; but we must remember that, in addition to the amount received by this State under that formula, we also received £1,707,000 purely as an act of grace. Is it thought that any Federal Treasurer with due regard for the finances entrusted to his custody would, in the circumstances, continue to pay that amount in full? He would certainly say, "You are entitled to £11,000,000 so long as you keep out of the entertainments tax and income tax fields, but you have now gone into the entertainments tax field and there is no reason why I should pay you this amount in full. You have collected £200,000 from the people of Western Australia by way of entertainments tax and therefore I will reduce the concessional grant by £200,000."

Hon. C. W. D. Barker: Did not Sir Arthur Fadden say that we could enter that field of taxation?

Hon. H. K. WATSON: No. He publicly stated that the position was as I have said. He has made it clear that he vacated this field of taxation not that the States might take it over but in order to relieve the family budget. I would suggest that if our Treasurer proceeds with these proposals, all he will do will be to collect from the people of Western Australia an amount which he could otherwise collect from the Federal Government, and which he will not receive from that source if he collects it from the people of this State. So I believe that if he persists in his effort to collect this tax, he will be doing something of extreme disservice to the people of the State.

If we are to have an entertainments tax in this State, I feel that it should be in a much modified form compared with what is contained in the legislation now before the House. In my view, the tax should not be imposed on admission charges of below 4s. I believe also that if the tax is to be imposed, it should not become operative before the 1st July next, because the grant that has already been received from the Commonwealth Government by the State Government for the current year includes £200,000 or £300,000 as an entertainments tax element in the total grant.

On turning to the exact provisions of the suspension Bill, we find that it proposes to discriminate between the four taxes with which it deals, which are the income tax deduction, the hospital tax, the goldmining profits tax and entertainments tax. It provides that the suspension of three of those taxes shall be continued until Parliament otherwise enacts, and there is no reason why that provision should not apply also to the entertainments tax. Under the original legislation, the four taxes I have mentioned were suspended until the end of the war and, now that we find it necessary to continue that legislation, why discriminate between the entertainments tax and the other three?

I feel that the Bill should extend the suspension of the four taxes until Parliament otherwise enacts. The Bill to which I am referring does that now with respect to three of the taxes, but does not extend the suspension of the operation of the fourth beyond tomorrow, the 30th September. If I understood the Chief Secretary aright, he said, when moving the second reading of the measure, that it would make no difference to the collection of the entertainments tax whether the suspension measure were passed or not; but,

in my opinion, that would make a great difference because, if it were not passed, this State would not be entitled to any part of the £11,000,000 grant which it is receiving from the Commonwealth.

On the reasoning of the Chief Secretary himself, if the State Treasurer at this moment, by reason of the peculiar position of the suspension legislation, has the right to impose the entertainments tax today, he is equally bound not only to collect the entertainments tax but also to collect the income tax deductions, the hospital tax and the goldmining profits tax, and technically he should have been doing that since the 1st July last. If he has the right to do that then, by reason of Section 11 (2) of the State Grants (Income Tax Reimbursement) Act—a Federal Act—he could not well be disentitled to receive any grant from the Commonwealth because that subsection reads—

> Any such advance shall be made on the condition that the State shall not impose a tax upon incomes in respect of that year, and if, after the close of that year, the Treasurer gives notice in writing to the Treasurer of the State that he is not satisfied that the State has not imposed such a tax, the advances shall be repayable and shall be a debt due by the State to the Commonwealth.

So it seems to me that it is necessary that this suspension measure should be passed if this State is not to be disentitled to the £11,000,000 which it is receiving as a tax reimbursement grant from the Commonwealth Government.

I have already explained, however, that I feel it should be passed, treating all four taxes in exactly the same way and suspending the operation of each of them until Parliament otherwise enacts. This attempt by the State Treasurer to take advantage of the peculiar set of circumstances which exists, in order to impose an entertainments tax, is, I think, little short of a fraud on the Commonwealth Government and on the people of Western Australia. I appeal to the Chief Secretary to endeavour to have these proposals deferred for a few weeks to allow further consideration and investigation of them. Queensland, I understand, is not imposing an entertainments tax, nor is South Australia or New South Wales.

Hon. C. W. D. Barker: Yes.

Hon H. K. WATSON: Victoria proposes to impose an entertainments tax on admission charges of over 3s. but to confine the tax to races and pictures. Even that State does not propose to put this legislation into force tomorrow as the Government there realises that it will take time to formulate the proposals. In considering this question, we should have all the relevant facts before us. We have at present two Bills in this House, and, from my reading of today's Press, I understand that there are a further two in another place, and yet another which as yet is in nothing more than the embryonic stage.

In my view, it is only fair and reasonable, in order that members may give consideration properly to the whole question, that we should have all the legislation before us. The Government should say, "This is the class of entertainment we propose to tax. We have had another look at the question and feel that the rate we first proposed was a bit high and so we are going to lift the exemptions a bit." If that were done, we could give adequate consideration to these proposals, but at the moment I feel that they are unfavourable, inasmuch as they might jeopardise our State Budget and, in any case, I believe they are an unnecessary and unwarranted imposition on the people of this State.

HON. C. H. SIMPSON (Midland) [5.27]: The two Bills which appear as Nos. 1 and 2 on the notice paper are essentially part and parcel of each other. No. 1 is the Income and Entertainments Tax (War Time Suspension) Act Amendment Bill, which is now before the House and the other is the Entertainments Tax Act Amendment Bill. It is necessary that both of them should be considered at the same time. In fact, the first of the two determines the time of operation of the second and that Act, in turn, sets out the rate of tax that shall be paid.

At first glance the two measures appear simple and straightforward in character and, in one sense, they are; but in another sense, they are most complicated. It is true, as the Chief Secretary has stated, that the original Entertainments Tax Act was passed in 1925, in the time of the Collier Government. In 1930 an amendment was introduced by the Mitchell Government and in 1933 the legislation was further amended by the Collier Government. In 1942, as Mr. Watson has said, this field of taxation was absorbed by the Federal Government under the provisions of the Uniform Tax Act.

Under the measure introduced in 1925 by the Collier Government the rate of tax imposed was fairly moderate, but it was increased by the Mitchell Government in 1933. However, those rates were doubled by the Collier Government in 1933. The Mitchell Government was in office in 1930. When the Commonwealth Government took over this field of taxation, it did amend the rates of tax and they were substantially reduced. I have listened with great interest to what Mr. Watson had to say and I am of the same opinion as he is, namely, that if on the contention of the Chief Secretary, this suspension now lapses thus enabling the Government to apply the Act that was in

operation in 1932 when the Commonwealth Government took over, it would then be impossible to avoid introducing other taxes which then applied under the Hospital Fund Contributions Act, the Goldmining Profits Tax Act and the Income Tax Act itself.

As I have said, we are dealing with the Income and Entertainments Tax (War Time Suspension) Act Amendment Bill in so far as it affects the Entertainments Tax Act and with no relation to the other Bills I have mentioned. In my opinion, these measures are money Bills, but I am open to correction. I understand that when the original Bill was first introduced, the measure, an amendment to which we are now discussing, was amended by this House, but the opinion that has been given to me is that the two measures, being correlated are, in essence, money Bills and that while we would be at liberty to express our opinions to the Government on them, we would not be at liberty—at least in regard to the Entertainments Tax Act Amendment Bill —to amend them in this House.

However, having regard to the arguments advanced by Mr. Watson, with which I concur, I am of the opinion that we are within our rights in suggesting to another place that the inherent ethics of the case for remitting this tax, at least for the time being, until the whole position can be considered, is one which we can and will submit to the Government for discussion and consideration. Clause 2 of the Bill now before us validates the omission by the Government of the right which we contend it had to impose the old rate of tax as from the 1st July, 1953, and I am of the opinion, and I think other members are too, that the Bill now before us must be passed in order to regularise the position to avoid the questions that must arise if the position of the Government in regard to imposing the rates of tax under the other three measures, should ever be questioned.

Therefore, Clause 2 does validate that act of omission and puts everything in order. Presumably, if the Bill failed to pass, the scale of charges which existed under the 1933 Act and which was in force in 1942, would automatically apply. I intend to propose an amendment to the Bill by suggesting that in Clause 3, in line 1 of paragraph (a) and after the word "two", the word "four" should be inserted and that lines 20 to 25 inclusive should be deleted. The effect of that would be to place the clause relating to the operation of the Entertainments Tax Act on exactly the same footing as the other three Bills that are specially exempted by this legislation. The deletion of the final clause would rectify the position as it now exists inasmuch as it applies to the Entertainments Tax Act continuing until the 30th September, 1953.

I feel that there are a number of reasons why the legislation should not be put into operation at present or, if possible, not at all. In the first place, I entirely agree with Mr. Watson that the Commonwealth Government when suspending the incidence of the entertainments tax, had in mind that it was relieving the wage earner in the lower income group of this burden and also that it would not have made provision for reimbursing the State if it had known that the State would turn round and enter the field that it had just vacated. A statement which I have here gives some idea of what is being done in the other States. It reads as follows:—

> "The New South Wales Government will not reimpose entertainments tax", said New South Wales Premier and Treasurer, Mr. J. J. Cahill, introducing the State's 1953-54 Budget last night.

The date of that statement is the 24th September, 1953. Continuing—

> "Our Government feels that the full effects of the Commonwealth Budget should not be offset by any measures which would reduce purchasing power in the hands of the people", he stated. "Accordingly the State would not impose any new taxes."

This extract, dated the 25th September, and taken from the Melbourne "Herald", also has the same implication and it reads—

> On present indications, arrangements will not be completed in time for the new State Government's entertainment taxes to operate from Thursday, when the Commonwealth vacates this taxation field.
>
> The Premier, Mr. Cain, said today that the new Bill for the tax would be introduced as soon as it was ready.
>
> He doubted whether the Bill could be rushed through both Houses by Thursday. Administrative difficulties in such things as collection of the tax and printing tickets also had to be overcome, he said.
>
> Other Ministers said the tax, which would be 50 per cent. less than the Commonwealth rates, might not operate for a week or two.
>
> It could be made retrospective to October 1. Both the Legislative Assembly and the Legislative Council will meet on Tuesday and Wednesday. If the Bill goes through, Royal Assent will have to be given by the Executive Council before it can operate.

I believe we should follow the same course here and not unduly rush a measure which is very far-reaching in its incidence and which should be considered together with those other measures of a similar nature which we understand the Government has in mind. It should also

be brought down as a Bill which this House can consider as a whole and not as a measure which the Premier has admitted has been hurriedly prepared in order to have it introduced and brought into operation by the 1st October, 1953. Mr. Calwell, the Commonwealth Deputy Leader of the Opposition, told a conference of the motion picture industry, which was held at Coolangatta recently, that he advocated a reduction in, or the abolition of, the entertainments tax.

In saying that it is very unlikely that he had in mind the possibility of the States reimposing the tax when the Commonwealth Government had vacated the field. Mr. Watson has logically pointed out that the State's anticipated loss of revenue has been covered by the grant being made by the Commonwealth Government in respect of the year 1953-54. It was assumed that the State would incur this loss because it would not be collecting the entertainments tax. Therefore, to reimpose it would mean that the State would obtain a double benefit, once by the direct tax and again by the Commonwealth grant.

The amount collected through the tax proves, over the years, that it bears most heavily on the lower income group. The latest available statistics for the year 1951 show that 64 per cent. of the tax was collected by the motion picture industry as a whole and that 60 per cent. of that total was obtained from admission prices of 3s. and under. In other words, 60 per cent. of the tax collected was taken from those patrons who occupied the cheaper seats. When remitting the tax, the Commonwealth Parliament indicated that it was to afford relief to the taxpayer, and especially the family man. Therefore, the removal of the tax could be regarded as an aid to both family and individual budgets.

An article in "The West Australian" of the 19th September, 1953, reads as follows:—

> "At present there are no 1s. 6d. seats at the cinemas, except on Sunday nights," the President of the Theatrical Employees' Union (Mr. R. O. Starr) said last night. He was commenting on the State Government's entertainments tax proposals.
>
> "The cheapest seat in the city approximates 2s. 6d.," Mr. Starr said, "and the abolition of taxation up to 1s. 6d. did not help. To be of any benefit to the working man, the tax should be abolished up to 4s. to include back stalls and back circle. The cinema is the only real entertainment available for the working man" Mr. Starr said. "We feel that if the tax on the middle section—the stalls and circle—were dropped, it would increase audiences."

The Premier, in his speech at Northam prior to the election, made it quite clear that he was in favour not of increasing, but, if possible, of reducing those charges that the man in the lower income bracket had to pay. He referred specifically to rents; he mentioned electricity and gas charges and water supply charges, and there were definite promises by him of reductions to be made in regard to rail and transport charges.

Hon. G. Bennetts: But he did not know what the railway position would be.

Hon. A. F. Griffith: Yes, he did.

Hon. C. H. SIMPSON: According to the statement he made in another part of his speech when he said that the position of the State's finances was grim, he had a pretty good idea of how the finances stood. This seems to be a strange reversal of the Government's attitude.

Hon. E. M. Davies: It is not alone in that respect.

Hon. C. H. SIMPSON: It was never thought that the State Government would now seek to reimpose a tax that the Commonwealth Government has dropped when the State has already made application for reimbursement from the Commonwealth, which acted on the assumption that the State would not reapply the tax. Of itself the tax is not of huge proportions when we consider the Budget total. The amount that is expected to be collected from this tax for the balance of this year was stated by the Chief Secretary to be £130,000.

It is interesting to compare that with the total amount of revenue which might be anticipated by the Government for the year. The Budget for last year estimated that the amount of revenue collected would be £38,248,000, and I think it can be assumed that the collections for this year will be approximately the same. Therefore, the amount of revenue that the Government can expect from this taxation source—£130,000—represents .295 per cent. of the total figure. That is less than one-third of 1 per cent. of the total amount for the period, and it seems to me to be a very poor return if it is set beside the Government's declared intention to give all possible consideration to those in the lower income group. Statistics have proved that the entertainment field is suffering the effects of rising prices, the same as every other section of industry. Last year this industry paid £435,000 in customs duties to the Federal Government. This amount, and the entertainments tax have undoubtedly increased costs in this business and bear hardly on the family man, particularly the one having a family of two or three children, in addition to his wife.

Hon. F. R. H. Lavery: The poor quality of some of the pictures has affected attendances.

Hon. C. H. SIMPSON: That may be.

Hon. C. W. D. Barker: What did they pay in company dividends?

Hon. C. H. SIMPSON: I do not think the returns were very high, because admission prices here are lower than they are in the Eastern States and I am reliably informed that the charges in Australia are a good deal lower than those in the United Kingdom. So I would question the hon. member's implication, though I am not able to say what is actually the position. However, I do not think it has any bearing on the issue.

Hon. G. Bennetts: If this tax were not imposed, is there any guarantee that the companies would not increase their prices?

Hon. C. H. SIMPSON: I think that for their own sakes, knowing that people would be prepared to continue patronising the theatres or the film houses if the tax were reduced, it would be very bad policy on their part to increase prices, because there would be an immediate reaction from the patrons, since there is even now a buyer resistance to the higher prices charged.

Hon. Sir Charles Latham: I think they are subject to price-fixing.

Hon. C. H. SIMPSON: That is probably so. We believe that entertainment in this State, or any other, is the normal right of the average man. That was recognised by those who framed the "C" series index. They allowed in that index for a reasonable amount to be spent on relaxation which, in these days, is not regarded as a luxury but as a necessity for the average man, particularly people in the lower income group.

The Government has expressed a wish that we should rush this Bill through. Taking all the factors into account, I do not think this House should be called upon to deal hastily with a measure that could have a good deal of effect on many of the people whom we are here to serve. The incidence of taxation is a serious matter; and while we are not allowed to amend money Bills, I think we have the right to take our time in considering them, and to offer our suggestions to the Government where we feel they might be valuable and we think the suggestions we are offering now are of value.

I have pointed out already that the collections from the proposed tax would be relatively small compared with the total of the actual Budget. I have been told that if this tax is not collected it might have an effect on some of the plans the Government has in mind. That would seem to imply that the collections from this tax are specifically set aside for certain purposes. As members know, that is not so. This amount would go into General Revenue. If a certain amount of money is not collected by this means, I have no doubt that the fertile brains of the Government can easily conceive other ways and means by which the amount may be realised in extra collections or possibly be placed at the disposal of the Government by savings or economies which would give it the same result as if the tax were imposed.

We think that, given time to consider the measure, members of this House could suggest advantageous amendments to this Bill and the one related to it. When speaking in another place on the second reading of this measure, the Premier said that he had not been able to study the position of live shows, cultural entertainments, educational functions, ballets, orchestral concerts, and amateur sports, and I understand that even now there are measures before another place that are part and parcel of the question of entertainment taxation legislation. I suggest that the Government should give attention to the desirability of introducing a consolidated measure which would embrace consideration of all these different forms of taxation, giving concessions where necessary, and easing taxation where required. If such a measure were presented to the House, it could be considered and the question dealt with as a whole.

At this stage I have in mind amending Mr. Watson's proposed amendment on the notice paper by changing the word "June" in the last paragraph to "September." My idea is this: Realising that the Government has already received reimbursements from the Federal Government in respect of this taxation, it should be allowed to lapse for this year. Then, if the comprehensive Bill that I have suggested is brought down, there will be time before the 30th September next year for the Address-in-reply to be disposed of and the legislation incidental to these measures to be presented to both Houses, possibly by a suspension of the Standing Orders, and they could be considered at one and the same time. I am sure that if the Government were prepared to accept that advice, it would receive all possible co-operation from us in giving effect to the idea. With those suggestions, I leave further consideration of the matter until I hear what other members have to say.

HON. SIR CHARLES LATHAM (Central): I move—

> That the debate be adjourned till Tuesday, the 6th October.

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

Ayes	17
Noes	8
Majority for	9

Ayes.

Hon. N. E. Baxter	Hon. Sir Chas. Latham
Hon. L. Craig	Hon. A. L. Loton
Hon. L. C. Diver	Hon. J. Murray
Hon. Sir Frank Gibson	Hon. H. L. Roche
Hon. A. F. Griffith	Hon. C. H. Simpson
Hon. H. Hearn	Hon. J. McI. Thomson
Hon. C. H. Henning	Hon. H. K. Watson
Hon. J. G. Hislop	Hon. H. S. W. Parker
Hon. A. R. Jones	*(Teller.)*

Noes.

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

Motion thus passed.

Debate adjourned.

BILLS (4)—FIRST READING.

1, Companies Act Amendment (No. 1). (Hon. Sir Charles Latham in charge).

2, Pig Industry Compensation Act Amendment.

3, Constitution Acts Amendment.

4, Collie Club (Private). (Hon. E. M. Heenan in charge).

Received from the Assembly.

ADDRESS-IN-REPLY.

Thirteenth Day—Amendment.

Debate resumed from the 24th September on the motion for the adoption of the Address-in-reply, to which Hon. A. L. Loton had moved an amendment to add the following words:—

> But this House expresses its profound concern that Your Excellency's advisers have seen fit to drastically increase railway freights in a manner calculated to increase greatly the cost of living in country districts, particularly in those more remote from the capital, to impose a heavy additional burden on primary industry and to discourage decentralisation, without at the same time taking radical steps to reduce railway costs and to improve efficiency; and further expresses its disapproval of the recently published policy by your Minister for Railways with reference to certain railway lines classed by him as unpayable.

HON. C. H. HENNING (South-West—on amendment) [6.5]: I congratulate Mr. Loton on moving the amendment, and also on the amount of information he gave us. He quoted several election promises. I do not remember whether he quoted one that was made during the Murchison by-election, but it is quite interesting—particularly so to some members who sit behind me. It is as follows:—

> Greater financial assistance to increase gold production.

I cannot see how any financial assistance will be given by increasing rail freights to the extent that they will be increased in two days' time.

The increase will raise the cost of production terrifically of coal, groceries and other living expenses, so that it will have quite an effect on the people living and working on the fields. The cost of machinery and the various implements required by the mines will also be affected. Having heard from previous speakers of the parlous plight of the goldmining industry, I am looking forward to seeing the members to whom I have referred rising and supporting the amendment.

As Mr. Loton mentioned, it was promised that railway fares and freights generally would be kept down. If there was sincerity in the promise, why the savage increase?—because without a doubt it is most savage. I am inclined to think there is more than one reason, because, when the election promises were made, it was known that the railways had a large deficit. I am wondering whether the answer is to be found in our minutes of proceedings, No. 14, from which we find that the Chief Secretary, in reply to a question by Mr. Thomson, stated—

> Producers will have the benefit of the recent tax reductions.

It looks to me as though every effort is being made to nullify the reductions made by the Commonwealth Government, not only in this sphere, but in at least one other. This is entirely different from what is being said in the Eastern States. I quote the Premier of New South Wales—

> Our Government feels that the full effects of the Commonwealth Budget should not be offset by any measures which would reduce the purchasing power in the hands of the people.

This is definitely going to reduce it. However, it has had one effect in Western Australia in that it won the election because it definitely gulled the gullible. But who pays? The producer, and he pays both ways—on the stuff that is going to his property and on the produce which comes off it. In very few instances has he got any chance of recouping himself for the increased expenditure.

Let us see how the increased freight will affect the farmer in regard to superphosphate. Pyrites is carried 460 odd miles from Norseman to the works, and the only works using pyrites are those in the metropolitan area, because Bunbury and Geraldton both use brimstone and so will Albany when it starts. The present freight, I understand, is £2 0s. 7d. per ton and the 35 per cent. rise will amount to about 14s. which will bring it to almost 55s. a ton. It may not seem as though that will have a big effect, but it will, because it applies both ways. About three tons of super is made from approximately one ton of pyrites.

The possible increase there is 4s. a ton. On top of that there is the extra cost to the consumer in respect of the super going to the farms at varying distances from

the works. The greater the distance, the greater the increase, and the man who is furthest from the supply points is generally operating in country which is more of a gamble, or is less safe, than the country closer to the coast. At present it costs approximately £2 a ton extra to manufacture superphosphate with pyrites as compared with brimstone. How much longer can the people continue to give this extra inducement to the company at Norseman to supply pyrites? After all, the 60,000 tons a year is hauled by the railways to the metropolitan area.

Hon. R. J. Boylen: Do you not think your Government could have overcome that difficulty if it had established the superphosphate works at Esperance rather than at Albany?

Hon. C. H. HENNING: I am not an expert in this matter, but I imagine that where they start will depend upon the consumption within the area. I believe in decentralisation, but this must be a commercial proposition.

Hon. L. C. Diver: That would have accentuated the haulage difficulty.

Hon. C. H. HENNING: In Western Australia the average haul is, I think, 153 miles, and class "C" freight, over that distance will, from October next, be 110s. 8d. per ton. Class "C" freight includes cement, bricks, butter, lubricating oils, timber and such items—materials for the hauling of which the railways are used a terrific amount. I do not like having to quote other figures. While I shall do so, I do want members to realise that I shall be dealing purely with haulage and not with the getting of the material on the ship or the getting it off. The freight on class "C" goods to Wyndham—a distance of 1,768 miles—is 112s. 6d. per ton; yet on the railways, over a distance of 150 miles, the cost is 110s. 8d. per ton. To all intents and purposes, these figures are exactly the same. There must be something wrong somewhere. I would like to deal with the railway report next. Over the week-end I found some most interesting reading in it.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. C. H. HENNING: I have with me the railway report for the year ended June, 1952. Although I realise that it is over a year old, it is the latest one available and any figures which I quote must naturally come from that report. I am working on the assumption that on the general average the percentages I quote will be on the same basis as they were for the year ended June, 1952. On page 11 of the report there are three diagrams, and the bottom diagram shows that in 1951-52 the railways earned 12s. 6d. for goods, 11d. for refreshment and road services, 7d. for miscellaneous, 1s. 8d. for passengers, and 7d. for parcels, leaving a deficiency of 3s. 9d. in every pound. The thing that struck me about those figures was the great discrepancy between the 12s. 6d. for goods earnings and 1s.8d. for passenger earnings. But on page 13 there is a graph, for the years 1938 to 1952, showing the passenger milage, country and suburban; and it is particularly noticeable from that graph that the passenger milage is gradually dropping, and has dropped considerably since 1944. Also the passengers on country trains—which at one time, although not popular—were fairly well patronised, have been getting fewer and fewer.

Hon. C. H. Simpson: You are talking now of train services only.

Hon. C. H. HENNING: I will lead up to my point in a moment. From there I turn to table No. 5, and this is most interesting because it deals with the period from 1879, when the railways first started operating, to 1952. This table shows the surplus earnings and the deficits. When one realises that during that period of 74 years the railways were on the credit side for 59 years, and on the debit side for only 15 years, a slightly different complexion is placed on the whole problem, particularly when one compares that analysis with what one reads in the Press.

If the deficits during those 74 years are added, one finds that the total is only £6,752,000. As far as I know, the figures for last year have not yet been published, but I believe the deficit was £6,000,000, and thus the grand total would be approximately £12,750,000. But I understand that the Railway Department received a special grant of £2,000,000 because of the effects of the unfortunate strike which took place last year. However, the total deficit for the period I mentioned was £12,750,000. So if one deducts the total deficit from the aggregate earnings of £30,000,000, one realises that approximately £18,000,000 has been received by the State through its railways. What happened to that money? It went into Consolidated Revenue.

If over the years that the railways have been neglected—and I am not blaming any particular Government for that—the money the service earned had been used to provide up-to-date rollingstock and engines and maintain the track, I am certain that the railways would have been in a better condition than they are today. In addition, the State has collected a considerable sum of money from land that, because of the construction of a railway, had been thrown open for selection and sold. Therefore the State has received a large sum of money from railway earnings. Many millions have gone into the coffers of the State and very little has gone back into the railways.

It looks to me as if one of the principal reasons why the railways are beginning to show a deficit—and this has been the case for the last six or seven years—is that the passenger traffic is gradually be-

coming less. In 1914 the railways carried their greatest number of passengers and our population then was about half what it is today. During the war years the number of passenger journeys did increase, but now the total is down to about 11,000,000 again. On page 5 of the report it is stated that the operating expenses per train mile were 404d. and the total earnings were 304d. How are those earnings made up? The total earnings for all merchandise and goods were 368.71d. per train mile. That definitely shows a loss of about 3s., but when we include the carriage of passengers, there is a further loss of 5s. 4d.

It is interesting to see what the expenses and receipts were per train mile of passenger services. In the country the figure was 110d., which is a loss of 290d. per train mile; but the suburban earnings were 84d. per train mile, and the operating expenses were still 404d. The total sum earned by the railways through freights was £8,061,000, and the goods milage of 4,654,000 was 68 per cent. of the milage run by trains in Western Australia; the goods milage produced 88.7 per cent. of the total earnings. Country passenger trains ran 21 per cent. of the total milage and produced 8 per cent. of the earnings, while suburban trains ran 10¼ per cent. of the total milage and produced 3 per cent. of the earnings.

We are told that the Government is closing the Wiluna line because that service is earning less than half of its operating costs. Half of the operating costs would be 202d., but 84d. is only one-fifth of the operating costs, and that is what the suburban passenger service earned. Yet we find that the Government is perfectly happy to increase its staff, and to increase its railway expenditure by £350,000, and still permit the suburban and country passenger services to operate at a loss. I believe we should live not in the 1870's, but in 1953; and we should realise that, as a method of conveyance, particularly over shorter distances, railways are obsolete and out of date.

I am not suggesting for one moment that our railways should be closed down for long-distance passenger trains to places such as Kalgoorlie, Geraldton, Albany, and so on; but I think we could run a far more efficient transport service than is now in existence in the metropolitan area. About 18 months ago I was waiting for the "Midnight Horror" that leaves for Bunbury about 12 o'clock. While I was waiting, four passenger trains, two from Midland Junction and two from Fremantle, stopped at the Perth station, and from those four trains only 15 passengers alighted.

Hon. A. L. Loton: What staff was on the station to look after their needs?

Hon. C. H. HENNING: There were more staff than passengers. I did not try to count the number of employees, but there are quite a number of them there to see trains come in and go out, apart from those who issue tickets. Are we going to try to popularise, by lowering fares, or keeping fares at a low level, a system which a very small proportion of the people desire?

It was only on the 17th September that, according to "The West Australian," the Premier said—

> Cabinet had decided on the increased rail freights . . . . It was realised that they would weigh rather heavily on all railway users, particularly those in the more distant parts of the State.

If the Government had to increase freights, I believe they should have been increased so that they would weigh equally heavily on people in all parts of the State, whether in the metropolitan or the country areas. But when, a couple of days later, a criticism appeared in the paper, drawing Mr. Hawke's attention to his speech in Northam on the 23rd January, when he said that an all-out effort to prevent railway freights rising above their existing levels until land settlement consolidation, closer settlement and all other efforts allowed a reduction, there was no reply from the Premier. It was replied to, however, on the 22nd September by the Acting General Secretary of the Australian Labour Party, who said—

> If the Commonwealth had given Western Australia an extra £2,500,000 or £3,000,000, railway freights would not have been increased at all. But the Commonwealth preferred to give the money back to farmers and other railway users in this State in the form of taxation concessions.

This comes back to what I said before tea. I believe that one of the motives for this increase is to try to minimise as much as possible the deduction allowed by the Commonwealth Government in its budget. But the remarkable part of it is that the Premier would not, and did not, reply. What has been done to assure that every effort will be made to increase efficiency in the department? A question was asked recently as follows:—

> Has consideration been given since the 1st March, 1953, to effecting economies in operating costs of the Government railways?

The answer was—

> Yes. The departmental Estimates were also prepared this year in greater detail than previously to permit a very close examination of proposed expenditure before a decision on rates was made.

I do not know how that is going to effect economies. No economies have been made on that. But we get an extra 560 odd

people employed on the railways in a matter of six months, and an increase of £360,000 a year in rates.

Hon. F. R. H. Lavery: That increase was for repairs to the track.

Hon. C. H. HENNING: No, that referred to rollingstock, and to cleaners and various people like that. Another question was asked, namely—

> If so, have any economies been effected?

to which the reply was—

> The Railways Commission appointed a departmental committee in July to undertake a detailed staff analysis in each branch, and this investigation is proceeding. Cabinet also appointed a sub-committee of Ministers to consider all aspects of railway finances and to go into the matter.

It certainly seems to me that nothing whatever has been done in that direction. It is all very well to investigate it, but what would happen in an ordinary business undertaking? For example, suppose a member of this House was conducting a business which was losing money as fast as are our State railways. That member would immediately endeavour to find out where the trouble was.

Hon. C. W. D. Barker: Put the freights up as a business proposition.

Hon. C. H. HENNING: I was talking as a business man and was not prepared for a reply of that nature. It would be a normal procedure to try to find out where the trouble lay. We do not know where the trouble is in the railways: whether it is at the top or the bottom; but there is a lot of trouble there. Can anyone imagine that any body of departmental chiefs would effect economies in their own departments when everyone knows that every departmental officer likes to see the greatest possible number of people in his department, because it gives him some satisfaction and far more standing than he otherwise would have? His standing is based on the numbers employed and not on the efficiency of those people.

If a committee were appointed and an investigation made, I believe we would find economies could be effected if our train milage in passengers were reduced considerably. The staff at present required to operate those trains could also be reduced. It is no good reducing train milage, however, irrespective of what train service it is, if the normal procedure of Governments is followed; that is, if somebody goes out of one department, and the Government says, "Righto, we will put him into another department."

We find now that the whole of the economy of Western Australia is going to be affected by the most savage increase in rates that has ever occurred in this State where, over a period of five or six years—I am not blaming any particular Government—freights have gone up 600 per cent. If the new 20 to 35 per cent. increase had been applied throughout the whole State so that it affected the people using the passenger services the same as it would any other service, I do not think quite so much objection would be taken to it. But we find it is purely and simply a sectional tax; a tax to be inflicted on the real earners. At the same time, we are supposed to be getting away from centralisation and endeavouring to get people and industries to go to the country. But when we have this extra impost without any thought to effecting economies, then I say it is definitely time to right the railway finances in Western Australia. I have much pleasure in supporting the amendment.

HON. L. C. DIVER (Central—on amendment) [7.53]: I rise to support the amendment moved by Mr. Loton. I would like to avoid repetition as far as possible but at the outset there is likely to be some, insofar as I shall draw a comparison between freights that exist at the present time and those that will apply when the new schedule of rates comes into force. The rates list I will read out is in respect of railway freights and goods from Perth to Beverley. It is as follows:—

Type of goods.	Old rate.	New rate.
	s. d.	s. d.
Groceries	81 6	97 10
Drapery	138 0	165 8
Hardware	110 5	132 6
Fuel and oil	81 6	97 10
Machinery	110 9	132 6
Stock feed	50 9	66 0
Wool	72 0	94 6
Superphosphate	24 0	32 5

It would appear that the Government has adopted those rail rates in the new schedule to illustrate its idea of decentralisation. If the Government thinks those rates will assist decentralisation, I am afraid it is going to be very disappointed. The country householders, and especially those who support the Government, will be the hardest hit in the whole community. I refer to those on the basic wage, with perhaps a small margin. They cannot hope to absorb that extra cost of all the groceries and household clothes that will be required in their homes. They can get no immediate relief and will have to carry the burden. There may be a small section of the people on salaries and wages who, if their families are not too large, may have the benefit of possessing a motor vehicle. If they own a motor vehicle and live within a reasonable distance of the metropolitan area, it will be possible for them from time to time to make a journey to Perth, the amount they will save in freight will be considerable. By doing that, they will take away what is logically the business of our small country towns. Hence the very thing

that the Government claims to sponsor—namely, decentralisation—will be destroyed.

It would seem that the railways have become more of an employment stabiliser than anything else at present, judging from the number of employees that are being taken on and the facility with which they are being employed. In the Northam migrant camp we find a number of migrants expecting to get work forthwith. They may have to wait a few days; and, if so, they become discontented. It is remarkable, however, how many of those people who, if they are not satisfactorily placed in employment elsewhere, finish up with a job on the railways. Consequently the railways are being used as an employment stabiliser. The responsibility has been taken away from the general public and placed on the freight-payer to give employment to these people. It seems strange that in 1931-32 this State produced a record harvest of 52,000,000 bushels of wheat. Compared with the numbers employed today there was a skeleton service at that time, but that wheat was delivered to the respective ports of Western Australia.

Yet today, with more than double the number of employees, the Government has decided that some of the lines are not paying their way and that the settlers in those areas must be penalised by having the services discontinued. Without delving too deeply into that aspect, I should like to point out that we who represent the country people have been consistent. Many country members strenuously opposed the freight increase 12 months ago, and we do so now for the same reason, namely, that until the railways are operated efficiently in the full sense of that word, and demonstrate by practice and performance that efficiency has been attained, then and then only shall we willingly agree to an increase in rail freights.

Let me give an instance of bad management in the department. On the Great Eastern line, we have a train leaving Perth hauling passenger coaches and shortly afterwards a diesel service running on the same line while, on the same day, may be seen motor road transport. Thus in two instances we have trains running on the same rails, and in the other instance we have motors running along roads parallel to those lines. If the system were operated by private enterprise, the first step taken would be to eliminate the diesels from that line and bring them to the metropolitan area to cater for the suburban traffic. On that service, the diesels should have a conductor on board to issue the tickets and thus save the expense of a lot of railway officers who are employed on the suburban railway stations collecting tickets for a disproportionate number of passengers.

Another reference in the amendment is to the policy of the Minister in classing certain railway lines as unpayable. I have in mind the Burakin-Bonnie Rock line which is surely an agricultural development railway if ever there was one. The route was inspected by the Railway Advisory Board in 1928 and the railway was duly built and opened during the years of the depression. Men went to the district and tried to grow wheat, using horses for their tractive power. Water-carting had to be engaged in. It was no bread and butter job; it was a tinned dog job. Many of those men were caught by the depression and lost their small capital. In a vain endeavour to get sufficient to keep body and soul together, some of them had to resort to devious means. Out of the little wheat they were growing, they were carting some under the lap to another line in order to obtain a few shillings to live on.

That area was declared a marginal area early in the thirties and the farmers were permitted to grow a maximum of 200 acres of wheat. At that stage we were told that the line was unpayable. Of course it was! How could it be otherwise? In sheer desperation some of the settlers did something of which they should not have been guilty, and then the bad economic conditions prevailing throughout world caught up with them and took its toll. Following on that the second world war occurred, superphosphate became scarce and supplies of super were rationed, many of those men receiving no more than seven tons a year. Yet the Government of the day was clamouring for an increase in wheat production. Later the acreage restriction was lifted, but what was the use of that when there was an allowance of only seven tons of super for the majority of the farms? How could they increase production? I consider that those farmers did remarkably well to produce what they did.

Now that super supplies are becoming easier and with many young men going into that country, development is proceeding; and I hazard a guess which, unless something unforeseen happens, I firmly believe will prove to be reasonably accurate, that in the Burakin-Bonnie Rock area this year one-fortieth of the State's total harvest will be delivered to the respective sidings. I believe that those farmers will deliver between 800,000 and 1,000,000 bushels. Yet, in the face of such prospects, it is proposed to cease running trains on that line.

Rather than discontinue the service, I suggest that the trains still be run, but at a reduced speed. At present a speed of 15 miles and hour is the maximum permitted on that line, but the trains do get the wheat away to its destination, and they will continue to transport the wheat and other produce in all weathers more

cheaply and more efficiently than would be possible by road transport. I appeal to the Government to retain the services on the outback lines, for a time at any rate, because I believe that the future will prove the wisdom of my request. Leave the lines and continue the services, and the day will come, I confidently believe, when the Government will be pleased with the results.

I should like to make a few suggestions to the Government in the event of its adhering to the decision to discontinue these services. Before doing so, the Government should build a good road; that is, a road that is dustless and water-sealed. Then the Government should exempt all the residents of those areas from the operations of the Transport Act in order that they may convey their produce to the metropolitan area or other destination and carry back any goods they require for their respective businesses. This is the least the Government should do if eventually it decides to discontinue the rail services; otherwise a lot of broken hearts and broken hopes will be the result.

In the last few years young men, seeing the possibilities that existed, have gone into those areas. They now have a rail service, but if it is taken away, their hopes will be dashed and then what will happen? Through sheer desperation, there will be a few more residents added to the population of the metropolitan area. Finally, I should like to place on record the fact that, if this deplorable proposal by the Government to cease the services on certain country lines is put into effect, the rail services that do remain will have to carry every individual that is at present employed, because there will be no dismissals whatever.

Before tea a member interjected that there would have been a great saving in costs had a superphosphate works been established at Esperance, but I cannot agree with that. With the present prospective consumption of superphosphate in the Esperance locality a super works at that centre would not be a business proposition. First of all, there is not sufficient manpower available in the area to operate such an undertaking, nor is there available sufficient cheap electricity. The freight on the surplus super after local requirements were met would be staggering, and the final result of establishing a superphosphate works at Esperance would be worse than the transporting of the Norseman pyrites to the super works at present established in the metropolitan area. I trust the Government will see to it that the business side of the Railway Department is in order before putting into effect the contemplated increases in freight charges.

Hon. F. R. H. Lavery: Do you deny that freights would have had to be increased had the McLarty-Watts Government remained in office?

Hon. L. C. DIVER: That Government would have had to put the business side of the railways in order before we would have agreed to any increase in freights.

Hon. F. R. H. Lavery: But freights would still have had to be increased.

Hon. L. C. DIVER: Perhaps that is so.

Hon. F. R. H. Lavery: I know it is.

Hon. L. C. DIVER: I am putting first things first.

Hon. F. R. H. Lavery: You must remember the huge deficit.

Hon. E. M. Davies: Your Government refrained from mentioning rises in freights only because of the election.

Hon. L. C. DIVER: I am certain that that statement is not correct. There were other reasons, which I cannot divulge here.

HON. J. McI. THOMSON (South—on amendment) [8.20]: I support the amendment with a full realisation of the reaction, to the proposed increased freights, of those who would be hardest hit by them. Having in recent weeks travelled extensively through the area I represent, I have been in contact with many of these people and know what a serious blow any increase in rail freights will be to our primary producers. If something is not done to arrest the upward trend of production costs, the Government will eventually be forced to acknowledge that it was wrong in sectionalising this rise in charges.

The increase on fuel oils, agricultural machinery, etc., is 20 per cent. On livestock it is 25 per cent., and on wool 30 per cent. On wheat, miscellaneous grains, chaff, timber and a host of other things it is 35 per cent., and 30 per cent. on all other goods. The rate of those increases fails to substantiate the reply I received from the Minister last week in answer to a question, when he told me that the farmers were given every consideration before a decision was made in this direction. I asked the Minister whether the Government fully appreciated the fact that the farmers had to pay double freights on all their goods: firstly on super, machinery, tools, and all other items necessary for production; and secondly on the transport of all their produce from farm to port, with no opportunity for passing on to the public those costs as has been the practice in normal trade and commerce.

I will submit for the consideration of members some figures taken from the report of the Railways Commissioners for the year ended the 30th June, 1952. They refer to the increased cost of coal, imported and native. The average cost of imported coal ex store in 1951 was 98s.

6d. per ton and in 1952 121s. 8d. per ton, an increase of 23s. 2d. per ton. The average cost of native coal in 1951 was 35s. per ton and in 1952 it was 51s. 6d., an increase of 16s. 6d. per ton. On top of that we have to take into consideration the quarterly adjustments in the basic wage which, as shown on page 30 of the report, have accounted for an increase of £1 19s. 5d. per week in the wages of railway employees, as compared with the previous 12 months. All those increased costs have had to be added to the running costs of the railways, and here we have an excellent example of how such increased expenses are passed on by the Government to the people. The farmer has no Arbitration Court or board of appeal to grant him relief from the increased costs he is called upon to bear. He has to accept world parity for his goods and hope that it will cover his expenses.

Hon. A. R. Jones: He has not even world parity now, in the case of wheat.

Hon. J. McI. THOMSON: That is so. In reply to the Minister, I say that the farmers and others in country areas were not, in this matter of increased freights, given the consideration that they merit. Only seven months ago Mr. Hawke promised, when electioneering, that all efforts would be made to prevent railway freights rising above the then existing levels, but I do not think he had any intention of adhering to that promise—

Hon. G. Bennetts: It has been made impossible by conditions that have arisen.

Hon. J. McI. THOMSON: If the leaders of the hon. member's party did not know the position that existed there must have been something radically wrong. The farming community have a right to expect Mr. Hawke to fulfil the promises he made, and there is no excuse for his not doing so. I know members supporting his Government feel they must rally to him on this occasion; but it is nevertheless true, that, in the short space of time since the present Government assumed office, we have had these terrific increases in railway freights.

Another promise made by Mr. Hawke before the election was that metropolitan-suburban fares would be reduced: I refer to week-end fares. That promise was fulfilled with all haste, but it was soon found necessary to discontinue the reduction and revert to the previous rates, which exist today. Having placated the people in the metropolitan-suburban area in that way, the Government proceeded to give attention to the country rail services in an endeavour to make up some of the increasing railway deficit.

Hon. A. L. Loton: The country areas, of course, come under the Transport Co-ordination Act.

Hon. J. McI. THOMSON: That is so. The Government should have examined thoroughly every avenue within the Railway Department in order to effect economies before increasing rail freights. Had that been done, and had the Government then found it necessary to increase the freights by 10 or 12½ per cent., people in the country areas would have known that everything possible had been done and would have been more disposed to accept the increases without protest.

Hon. R. J. Boylen: Why did not you write a personal letter to the Premier, instead of resorting to this method?

Hon. J. McI. THOMSON: I feel that the amendment, if agreed to, will have more effect than would any personal approach to the Premier. I asked the Minister last week whether the Government had any plan to offer the primary producer, whereby he could secure higher prices to offset the increased costs of production resulting from the higher freights. He replied, "Producers will have the benefit of the recent tax reductions." All the people in this State are fully conscious that the benefit obtained from such tax reductions is due entirely to the Menzies-Fadden Government and not to the Government of this State.

Hon. F. R. H. Lavery: If the hon. member's party had agreed to the increase in rail freights before he would not have had cause to complain about this increase of 20 to 35 per cent.

Hon. J. McI. THOMSON: That is a matter of opinion. The Premier stated that the increase of 20 to 35 per cent. would return to the State additional revenue amounting to £1,600,000 by the end of June, 1954. The bulk of this total will, of course, come from primary producers and others who reside in country areas. What guarantee have the people living in the country that they will not be called upon to pay another substantial increase in rail freights within the next 12 months or even earlier? In view of the terrific railway administration costs, that is always a possibility. I repeat, that if economy were effected in the Railway Department it would help relieve the position a great deal.

Hon. G. Bennetts: You want a special rate for the people in the metropolitan area.

Hon. J. McI. THOMSON: I do not; I want it to apply to all people throughout the State. The responsibility for maintaining the railways does not lie with one section, but with the whole community; and, therefore, any loss that is incurred by running the railways should be borne by the people as a whole. Does Mr. Bennetts consider that the people in his Province are being treated fairly in regard to this matter? I am sure he does not. Although these freight increases are serious to those farmers who are already established, they have a far greater effect on new settlers to whom we should be giving every encouragement and assistance.

The information I am about to give to the House is extracted from "The Farmers' Weekly." From this newspaper it is staggering to note that within the last five years rail freights on wheat and super have increased from 18s. 5d. to 49s. 3d. per ton and from 8s. 5d. to 49s. 3d. per ton respectively on a 240-mile radius basis. This represents a yearly average increase of 6s. 2d. and 8s. 2d. per ton respectively. However, there are many producers beyond the various rail head terminals, such as Ongerup, Pingrup and Newdegate, who are compelled to bear the additional heavy cost of road transport for their produce to the rail terminals I have mentioned.

Hon. F. R. H. Lavery: And are subsidised for it!

Hon. J. McI. THOMSON: Yes. they are subsidised. Nevertheless, they have to stand that cost.

Hon. F. R. H. Lavery: The State has to stand it.

Hon. J. McI. THOMSON: Yes, but the people, especially the farmers, are paying for it. I am not saying that if the position had remained as it was we would not be moving to amend the Address-in-reply; but I had in mind that in the not too distant future there will be other increases in production costs which will have the effect I have mentioned and which the hon. member has not borne in mind.

Hon. F. R. H. Lavery: Yes, I have.

Hon. J. McI. THOMSON: Well, I hope the hon. member will support the amendment. I was informed by a Newdegate business man during the week-end that these increases in rail freights will mean that in Newdegate and similar centres, the price of petrol will be increased by 10d. a gallon, and of super by 13s. 4d. a ton, and for every sheep that is railed from Newdegate to the Midland Junction saleyards, the increases will mean an additional 1s. per head. These farmers have no chance of passing the additional costs on to the consumer, as have producers in other industries.

The position is bad enough in those agricultural districts that contain large farms, but let us consider the effect on the small farmers in other areas such as the Albany-Denmark district. To them the increases will mean that the price of super will rise by 14s. 6d. a ton; and, in addition, because their super quotas are small, they will be called upon to pay a higher freight charge than if they were using greater supplies. Therefore, I am sure that these added costs will mean financial embarrassment to many small farmers in that district.

Hon. F. R. H. Lavery: They will have their own super works operating soon.

Hon. J. McI. THOMSON: Yes, I am aware of that, but I am talking of the present. Also when those new super works are established it must not be forgotten that supplies will be delivered to the outback areas I have mentioned, and therefore the position will again even itself out. If we do not stop and consider the effect of these increases on primary industry and take steps to remedy the position, I am sure that production will ultimately be curtailed. As an instance of how increased costs of production can cripple a secondary industry I will quote an article which appeared in "The West Australian" dated the 26th September, 1953. The same could easily apply to primary industry if we do not take heed of these staggering increases. The article reads—

> Beaten By Costs, Clock Makers Shut Down.
>
> Melbourne. Fri.—Three hundred employees will be thrown out of work because the American-owned Westclox (Aust.) Pty. Ltd. ceased production at noon today.
>
> Notice was given to 235 employees —half of them women—today and about 60 others will receive notices.
>
> The managing director (Mr. R. J. Taylor) said that rising costs had beaten the company.
>
> They represented 60 per cent. of the finished cost of the company's products.
>
> When the company was formed in 1947, male process workers received 3s. 2d. an hour.
>
> Now they got 6s. 7d.
>
> The female rate had jumped from 2s. to 4s. 10d. an hour.
>
> Mr. Taylor said that the company no longer manufactured in Australia at a price competitive with that of overseas makers selling in the Australian market.
>
> To continue the Melbourne factory it would have been essential to get export trade.
>
> This was impossible.
>
> Assets worth £500,000 would be sold, said Mr. Taylor.
>
> The parent company's clock would come to Australia from factories in England and other countries.
>
> Since the Melbourne factory began operations, it had made 1,750,000 clocks, at an average rate of 5,000 a week.
>
> Mr. Taylor praised the standard of workmanship of the Melbourne staff.

That may not have full bearing on the increased cost of rail freights, but it proves that costs can beat a secondary industry in a similar way to those that are crippling the primary industries. To illustrate how the increased rail freights will affect home building in country districts, the following

figures show the resultant rise in prices that will apply in centres such as Albany and Kalgoorlie:—

Timber	4s. per 100 super ft.
Asbestos	3d. per yd.
Fibrous Plaster Sheeting	4d. per yd.
Cement	9d. per bag.
Lime	9d. per bag.

I have roughly calculated that the increase will mean an additional cost of somewhere between £70 and £80 in respect of house-building in the country. That is an added burden for people who want to build homes. We have heard complaints on numerous occasions about the excessive cost of building. This is one of the reasons why such increases occur and this rise in freights will affect not only the farming community but working men in the country of whom the present Government is supposed to be the champion. Those men can thank the Government for the increase in home-building costs in the country.

Hon. A. F. Griffith: Do you think it will affect the rent of houses under the Commonwealth-State rental scheme?

Hon. J. McI. THOMSON: Yes, I certainly do. We know what the inevitable result will be.

Hon. A. F. Griffith: That is if the rent is calculated in accordance with the formula.

Hon. J. McI. THOMSON: Yes. I do not see any reason why it should not be.

Hon. A. L. Loton: It will help decentralisation!

Hon. J. McI. THOMSON: I agree with the hon. member—in reverse! The Minister's reply to my second question last Wednesday was just pure moonshine. I asked the Minister whether the Government had given consideration to ways and means whereby the whole of the population would bear its equal amount of financial responsibility for railway losses, having a full appreciation of decentralisation. I would like to know what specific benefits the telescopic railway freights will be to farmers and other people in the country. As I have said, the answer of the Chief Secretary to my question was pure moonshine. The way in which the answer was framed was a clear indication that those concerned did not want to be bothered to face the facts and to say, "This is a sane, commonsense question that deserves a sane, commonsense reply." They did not do that.

Hon. R. J. Boylen: Because it was not.

Hon. J. McI. THOMSON: If I asked the hon. member what was the question I asked, could he tell me?

Hon. R. J. Boylen: You have just read it out.

Hon. J. McI. THOMSON: If I had not done so, the hon. member would not have known. It may not be a sane, commonsense question to the hon. member but I think it is such to the people in the country and they feel it needs some answer. We would like further enlightenment on the answer that there would be specific benefits to the farmer from the telescopic freight charges. If the Minister can also convince the farmer that his production costs will not rise as a result of this freight impost, I am sure it will be worth listening to him. But of course, the people will not be misled by any statement of the Government in that regard.

I also want to know from the Minister what subsidies the farming community has received from the State Government for the assistance of primary industries in keeping down the cost of production. If the Government were prepared to earmark the money it proposes to collect by way of entertainments tax, which we have heard about this evening, towards meeting the railway deficit, with a view to improving the position of the railways generally, it would demonstrate its sincerity, and such action would be to its credit. That should be done rather than that the cost of railway transport to a section of the community should be increased.

HON. A. F. GRIFFITH (Suburban—on amendment) [8.50]: I desire to take the opportunity of making a few remarks on the amendment. In moving it, Mr. Loton used the words, "But this House expresses its profound concern, etc.". I think he was very generous in his choice of words and that he might with better advantage have used the word "deprecated", because I think it is to be deprecated that at this stage of proceedings in this State the Government has seen fit to impose upon the people a further burden for them to carry in the way of an increase of up to 35 per cent. in railway freights in country areas.

We live in what is termed a democratic country. Once every three years there are elections for the Lower House and it is common and accepted practice for the political parties to choose an appropriate time to put before the public the policies and platforms for those elections. In effect, they say to the electors, "Here we are. This is our party; this is our platform; these are our promises. Upon these things, if you elect us, we will undertake the Government and direct the destiny of the country". During the course of Mr Diver's speech, Mr. Lavery made an interjection, "Do you deny that the McLarty-Watts Government would have increased freights if it had been returned to power?"

Hon. F. R. H. Lavery: Do you?

Hon. A. F. GRIFFITH: The only utterances we have heard in this debate from Labour members to date are those

that have been made by way of interjection. I invite Mr. Lavery and his fellow Labour members to justify their position here; to get up and say what they feel about this amendment, if they so desire. At the same time, I do not mind their interjections one little bit.

Hon. F. R. H. Lavery: You did not answer the interjection I made.

Hon. A. F. GRIFFITH: I will.

Hon. F. R. H. Lavery: Good!

Hon. A. F. GRIFFITH: When I have answered it, I am sure that the hon. member will agree that I have put a reasonable construction on it. But there is an unusual silence on that side of the House in regard to the amendment.

Hon. E. M. Davies: We are very courteous to you.

Hon. A. F. GRIFFITH: There is an unusual silence, and perhaps the same courtesy that is always extended.

Hon. E. M. Heenan: You are hardly in a position to say what is usual or unusual in this House.

Hon. A. F. GRIFFITH: I completely disagree with the hon. member. I was a student of the records of "Hansard" concerning the Legislative Council, even though I was in another place, and from them I learned of the courtesies extended in this House. As I was saying, there is an unusual silence on the part of members on the other side; but there is good reason for that. I do not envy them the task they have—particularly those representing the Goldfields—to take back to their constituents the message that their Government has found it necessary to increase freights up to 35 per cent.; that they will now have to pay, according to Mr. Thomson, much more for the houses they will rent under the Commonwealth-State rental scheme; that they will be obliged, if the formula under which the rent is calculated is adhered to, to pay more than they would have done if this freight rise had not taken place. So I feel there is good reason for the silence of Labour members, and it will be interesting to see also just how they vote on the amendment.

Hon. E. M. Davies: You did not oppose the freight increases that your Government imposed, did you?

Hon. A. F. GRIFFITH: I will answer that one, too.

Hon. E. M. Davies: Good!

Hon. F. R. H. Lavery: I am still waiting for the answer to my interjection.

Hon. A. F. GRIFFITH: Nobody in a sane state of mind would try to answer in any shape or form the question asked by Mr. Lavery. How is the present Government to know that the finances of the State will not be in such a condition in 12 months' time—

Hon. F. R. H. Lavery: They could not be in a worse condition.

Hon. A. F. GRIFFITH: How is anybody—

Hon. Sir Charles Latham: They have been!

Hon. A. F. GRIFFITH: How is anybody to know that the finances of this State will not be in such a condition in 12 months' time that a further increase in cost in some particular phase of Government management or administration will not make it necessary to raise some charges? Nobody would know that. It is not possible to look into the future and say what increased freights will be necessary in a year's time; or what increases in the charges for Commonwealth rental homes will be required in 12 months' time; or what rises will be necessary in any other direction. What I deprecate most severely is that a political party should go before the people and say in its propaganda, and literature, and pre-election pledges and promises, that if the people elect it, it will do so and so.

Hon. E. M. Davies: You said that in 1947 concerning what would be done with regard to small-unit homes. But have a look for them!

Hon. A. F. GRIFFITH: The hon. member says we made some remarks in 1947 about small-unit homes.

Hon. E. M. Davies: It was your main policy.

Hon. A. F. GRIFFITH: I am not going to suggest that because some past Government may have committed a wrong or misdemeanour, the hon. member's Government should follow suit. The hon. member does not agree that that is the policy he should follow, does he?

Hon. E. M. Davies: Answer that yourself.

Hon. A. F. GRIFFITH: The hon. member has answered it for me. The policy in the last State election was, "Get rid of this Government if you can. Get rid of it honestly if you can, but get rid of it."

Hon. E. M. Davies: That is the policy of all Oppositions, is it not?

Hon. A. F. GRIFFITH: I do not think so. Labour had a period of six years in opposition during which he said the State had not made much progress, although it had made a great deal. Mr. Davies cannot deny this, because the Governor's Speech, of which his Government is the champion, has said so. Now we have the rather unusual circumstance whereby the Address-in-reply in the Legislative Assembly was amended by the Government and then sent to His Excellency in the amended form. I hope that the Address-in-reply submitted to this Chamber will also be sent to the Governor in an amended form.

Hon. E. M. Davies: You know there is nothing surer.

Hon. A. F. GRIFFITH: I am pleased that Mr. Davies thinks so much of the amendment that he is going to support it.

Hon. E. M. Davies: I did not say I was going to support it.

Hon. A. F. GRIFFITH: I wonder what His Excellency will say when he finds that the Speech he has been pleased to deliver to Parliament has not pleased Parliament. In our past history, we have had a Premier in the Legislative Council. I do not know whether that is a forerunner of things to come, and whether the Government will hang its head in shame and resign, and we will have another Premier in the Legislative Council!

The PRESIDENT: I must draw the hon. member's attention to the text of the amendment.

Hon. A. F. GRIFFITH: If you will be patient with me, Sir, I shall relate these remarks to the amendment. I have a number of pamphlets which were distributed by various candidates of this Government among the electors prior to the State election on the 14th February last. I am quite certain, from the contents of the pamphlets, that the recipients of them—the electors—could have no doubt that if they voted for a Labour candidate they could expect, if his party was returned, the fulfilment of the promises contained in the pamphlets. Each and every one of the pamphlets from which I intend to quote, briefly, referred definitely to the previous situation of the railways, and promised the electors that the position, as it existed prior to the election on the 14th February, would not change. In order to be brief, I shall not hold up the photos of the candidates.

Hon. F. R. H. Lavery: They are not ashamed of their faces.

Hon. A. F. GRIFFITH: It is what is in print that counts. This pamphlet was produced by the Labour candidate for South Perth—all these are authorised—and he said—

> Labour realises that empty promises are meaningless. What Labour plans and Labour promises will be carried out if returned to power.

Hon. A. L. Loton: How well we have seen that!

Hon. A. F. GRIFFITH: There is a large hole in the promise in that pamphlet. This next pamphlet was issued by the Labour candidate for North Perth. He said that he believed the present Government had been unrealistic in handling the current problems of transport, and he was going to do something about it. Apparently his Government has done something—it has raised freights by 35 per cent.

Hon. Sir Charles Latham: And has dropped the tram fares and raised them again.

Hon. A. F. GRIFFITH: This next pamphlet appears to be a stock one, because I have for three electorates pamphlets with the same interior, but different photographs appearing on the outside. The slogan of the present Government in the last election was, "Get rid of the present Government. Get rid of it honestly if you can, but get rid of it." This pamphlet starts—

> In the best interests of the State, we must get rid of the Liberals.

This is what was said about transport—

> The Liberal Government has sacrificed the public transport system in the interests of private concerns. This has meant unsatisfactory services and heavy increases in fares. In other words, the Liberals have given away our assets, provided a poor service and charged more, into the bargain. Labour will put a stop to all this. Week-end and holiday charges will be eliminated. As an experiment, Labour will reduce fares on Government trams, trolley-buses, omnibuses and trains in the belief that the improved patronage will give at least as good a return as the present extortionate charges.

Hon. J. McI. Thomson: And then they woke up!

Hon. A. F. GRIFFITH: These are the remarks that I am relating to the interjection made by Mr. Lavery when he asked whether the McLarty-Watts Government would have increased rail freights if they had been returned to power. My reply to the hon. member is that we did not say we would or would not increase rail freights if we were returned to power, but the hon. member's candidate said at the last election that Labour would not. That is the point. Thereby Labour gained control of the Treasury Bench under false pretences.

Hon. F. R. H. Lavery: You should save this for your election speech in 1956.

Hon. A. F. GRIFFITH: I realise that what I am saying will roll off the backs of some members like water off a duck's back. I also realise that the Government has no intention of resigning. A lot of this stuff is electioneering propaganda, just the same as was a certain talk about an hour ago, broadcast by the Premier, when he said he was going to impose a tax on entertainments, and blamed this Chamber for the fact that the tax had to be imposed. Do members think he is very interested in the welfare of the working man?

Hon. E. M. Davies: You want to tell him that.

Hon. A. F. GRIFFITH: I am doing so in the only way I can, and I hope he reads my speech. I do not think he has any realistic approach to the needs of the working man when for political purposes he will impose a tax, and then blames this House. Members know that the intention of the House is to try to meet and come to some arrangement on this matter.

These pamphlets all deal with the same kind of thing. The next one is the pamphlet of the Labour condidate for Claremont, and he said that housing would be built up and more reasonable rents charged. How can more reasonable rents be charged when rail freights are raised by 35 per cent.? All building materials must go to different parts of the country. In my Address-in-reply speech I covered the question of rents and how the people swallowed, hook, line, and sinker the promises made by the candidates of the present Government so that they believed that by voting for the Government they would receive relief. But they have not received relief. The freight charges and the fares on metropolitan transport are more than when the Government was elected to power. The Labour candidate for Nedlands—a lady—said she would do her utmost to reduce the transport costs and would press for improved public transport.

Hon. N. E. Baxter: Do you think she would have prevailed upon the Premier to do that if she had got in?

Hon. A. F. GRIFFITH: No, no more than the rest of these people have who put their names to these pamphlets.

Hon. F. R. H. Lavery: You are making capital out of the fact—

Hon. A. F. GRIFFITH: I have not seen the hon. member do anything but sit in his seat. When I sit down he can get up and have his say. I shall quote briefly from the pamphlet which caused Mr. Loton to move the amendment. This is the best one of all, because the message contained in it comes directly from the State Parliamentary Leader of the Labour Party, the present Premier. Incidentally it is submitted—with or without permission, I am not quite sure—by four people described thus—

> Labour's candidate—E. M. O'Brien.
> Labour's Leader—A. R. G. Hawke, M.L.A.
> Labour's Member—E. M. Heenan, M.L.C.
> Labour's State Secretary—F. E. Chamberlain.

I do not know whether Mr. Heenan knew about this, but it does not really matter. The message contained in the pamphlet is from the Leader of the Parliamentary Labour Party, and it left the electors in the Murchison electorate in no uncertain mind as to what would happen in regard to rail services if the Labour Party was returned to power. Mr. Loton has dealt with this, but I propose to read it once more. It states—

> Better rail services. No railway lines to cease operation or to be pulled up without adequate on-the-spot discussions by Ministers with local government authorities and other people concerned. And not even then unless Cabinet and Parliament first approves. Railway freights and fares generally to be kept down.

Although I have a number of others that I collected during the last State election campaign, I do not propose to quote any more because I think I have said sufficient. I repeat once more, for Mr. Lavery's sake, that it is not a question of whether a Government finds it necessary to increase a charge in any particular section of its administration, but it is a question of going to the people and leaving no reasonable doubt in their minds that if a Government is returned to power it will not do these things.

Hon. F. R. H. Lavery: I am quite satisfied to support the present Government.

Hon. A. F. GRIFFITH: I am sure you are.

Hon. Sir Charles Latham: I cannot imagine you trying to do anything else.

Hon. A. F. GRIFFITH: Apart from a few interjections, members of the Labour Party have been very silent on this particular aspect.

Hon. F. R. H. Lavery: Last year I supported Sir Charles Latham on a railway bill which his Government introduced.

Hon. E. M. Davies: Last year we were the supporters of your Government.

Hon. A. F. GRIFFITH: In some respects; and the hon. member should be a supporter of this motion.

Hon. E. M. Davies: Where is it going to get you?

Hon. A. F. GRIFFITH: It is not a question of where it will get me. If the hon. member supports it I know where he might end up.

The PRESIDENT: The hon. member must address the Chair.

Hon. A. F. GRIFFITH: I think some members desire to sidetrack me a little.

Hon. H. Hearn: It is the truth that hurts.

Hon. A. F. GRIFFITH: That is so. It has been rather unnecessary to point out to the House that this amendment—

Hon. F. R. H. Lavery: I thought you were trying to point out the fact that I should support it.

Hon. A. F. GRIFFITH: —is a necessary one in order to advise the electors that once again the present Government, in its administration, has very sadly let down the people of this State. I hope that Mr. Loton's motion will get plenty of publicity and that the people will be told the truth. I have much pleasure in supporting the amendment.

On motion by Hon. H. Hearn, debate adjourned.

House adjourned at 9.18 p.m.

Legislative Assembly

Tuesday, 29th September, 1953.

CONTENTS.

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

QUESTIONS.

RAILWAYS.

(a) As to Loss on Metropolitan and Country Services.

Mr. BOVELL asked the Minister for Railways:

What was the loss per rail mile for the year ended the 30th June, 1953, for—

(a) metropolitan area, i.e., Armadale-Midland Junction to Fremantle;

(b) country service?

The MINISTER replied:

(a) and (b) Separate figures for metropolitan and country services are not available, but the overall loss per average mile worked is £1,383.65.

(b) As to Bellevue-Mundaring Line Maintenance, etc.

Mr. OWEN asked the Minister for Railways:

(1) What amount has been spent on maintenance work since the 1st July, 1953, on—

(a) the permanent way;

(b) the telephone line

of the Bellevue-Mundaring railway line?

(2) How many new sleepers have been used on this work?

(3) Has the work been completed?

(4) Is it intended to close this railway in the near future?

The MINISTER replied:

(1) (a) £1,800 up to the 5th September, 1953. (b) £120 up to the 5th September, 1953.

(2) Eight hundred and forty-one were used up to the 5th September, 1953.

(3) Maintenance must continue while the line is open for traffic.

(4) A decision has not yet been made.

(c) As to Apprentices and Examinations.

Mr. NALDER asked the Minister for Railways:

(1) Are apprentices in the various branches of the Railway Department given annual examinations for efficiency?

(2) Is any encouragement given by way of incentive or bonus payments to those who pass the examinations?

(3) If so, what are the amounts?

The MINISTER replied:

(1) Yes, in accordance with the regulations included in the relevant industrial awards.

(2) Remuneration is in accordance with the awards.

(3) Answered by No. (2).

(d) As to Closure of Sidings and Yards.

Hon. D. BRAND asked the Minister for Railways:

As, during the first Murchison by-election in 1952, the present Premier said that, before any railway operation ceased or line was pulled up, on-the-spot discussions would take place with local residents and local authorities, will a similar undertaking be given in respect to closure of rail sidings and yards?

The MINISTER replied:

There are a number of sidings throughout the system from which little or no traffic is dispatched or received and as these are, in some cases, hundreds of miles from Perth, it is not considered necessary for the Minister and Commission to have on-the-spot discussions.

Sidings will not be closed without every consideration being given to all revelant matters such as volume of traffic, distance to adjacent sidings, etc., and the local governing authorities will be informed of the department's intention in respect of any siding.

HARBOURS.

As to Report on Fremantle Scheme.

Hon. J. B. SLEEMAN asked the Minister for Works:

(1) What amount was paid to the firm of Sir Alexander Gibbs for its report and work done in connection with the Fremantle harbour scheme?

(2) Will he place the said report on the Table?

The MINISTER replied:

(1) £32,046 4s. 3d.

(2) Yes.

BUS SERVICES.

As to Transfer of North Beach Coy.'s Rights.

Mr. JOHNSON asked the Minister for Transport:

As his reply to my question on the 22nd September stated that the bus service concerned was conducted by the Federal Bus Service Ltd. and was transferred to the North Beach Bus Coy. in July, 1951, will he state—

(1) The consideration for the transfer from one company to the other;

(2) whether the buses taken over later by the Government were transferred from one company to the other; and

(3) whether the improved return under the management of the North Beach Bus Coy. has been subject to independent audit?

The MINISTER replied:

(1) No transfer of the license was involved. The Federal Bus Service Ltd. notified its intention to cease operating and the North Beach Bus Company was then granted a license for the Morley Park routes.

(2) None of the buses taken over by the Government was originally the property of the Federal Bus Service Ltd.

(3) No.

HOUSING.

(a) As to War Service, Rental and Workers' Homes.

Mr. WILD asked the Minister for Housing:

(1) How many contracts were let for war service homes, Commonwealth-State rental and workers' homes in each month of 1952, and monthly from January to September of this year—

(a) in the metropolitan area;

(b) in the country?

(2) Have all the contracts been let for the Kwinana building project at Medina?

(3) If the answer to No. (2) is "No," when will these contracts be called and for how many houses?

The MINISTER replied:

Contracts Let during Period 1st January, 1952, to 22nd September, 1953.

Month.	Commonwealth-State Homes.			War Service Homes.			State Housing Act.			Total.			Total.
	Metro.	Country.	Total.	Metro.	Country.	Total.	Metro.	Country.	Total.	Metro.	Country.	Kwinana.	
1952.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.
January	....	20	20	51	2	53	3	39	42	54	61	....	115
February	....	....	....	93	8	101	19	55	74	112	63	....	175
March	....	10	10	77	2	79	4	25	29	81	37	....	118
April	....	....	....	51	4	55	2	22	24	53	26	....	79
May	....	14	14	34	3	37	2	27	29	36	44	....	80
June	....	....	....	46	4	50	1	40	41	47	44	....	91
July	....	3	3	54	6	60	1	33	34	55	42	....	97
August	21	51	72	88	5	93	....	30	30	109	86	....	195
September	66	....	66	78	4	82	3	16	19	147	20	....	167
October	101	20	121	69	3	72	1	64	65	171	87	....	258
November	18	87	105	80	5	85	1	24	25	99	116	....	215
December....	70	51	121	71	5	76	1	15	16	142	71	80	293
1953.													
January	5	66	71	108	7	115	....	31	31	113	104	140	357
February	25	64	89	81	18	99	....	9	9	106	91	90	287
March	25	44	69	75	10	85	1	10	11	101	64	....	165
April	....	69	69	70	12	82	1	5	6	71	86	18	175
May	6	68	74	93	8	101	1	2	3	100	78	20	198
June	....	31	31	113	8	121	1	7	8	114	46	102	262
July	121	50	171	100	8	108	1	49	50	222	107	120	449
August	....	24	24	108	3	111	....	17	17	108	44	5	157
September to 22	100	14	114	106	6	112	....	10	10	206	30	15	251

(2) No.

(3) Of the 1,000 houses to be erected under the Act contracts have yet to be let for 410. Tenders will be called and contracts let at intervals over the next two years.

(b) As to Transfer of Railway Land.

Mr. OLDFIELD asked the Minister for Housing:

(1) Why is the State Housing Commission anxious to have six lots (Nos. 21-26) in Wills-st., Bayswater, transferred to the commission from the W.A.G.R.?

(2) Is it for the purpose fo erecting—

(a) a multi-storeyed block of flats; or

(b) a group of six homes?

The MINISTER replied:

(1) The land in question was previously owned by the State Housing Commission and transferred to the Railways Commission, which would now appear not to be able to utilise the land.

(2) The use to which this land is to be put if and when it has been retransferred to the State Housing Commission is yet to be determined.

HOSPITALS.

As to Clerks and Industrial Conditions.

Mr. COURT asked the Minister for Labour:

Now that a copy of "The Clerk," August, 1953 issue has been made available to him, is he prepared to revise the answers to my question which appeared as Question No. 1 on the notice paper, the 23rd September, 1953.

The MINISTER replied:

It is considered inappropriate to offer an opinion in the present circumstances.

WATER SUPPLIES.

(a) As to New Main, Mundaring.

Mr. BRADY asked the Minister for Works:

(1) To what point has the new water main being run to Mundaring via South Guildford been extended?

(2) What was the approximate cost of the work to June, 1953.

(3) Can this water main be charged with water from the South Guildford end?

(4) Approximately how many residents of Bushmead, Hazelmere and Maida Vale will be served from the new main?

The MINISTER replied:

(1) The new main is practically completed for a distance of approximately four miles from the Great Eastern Highway, South Guildford, to the old Kalamunda railway line. An additional 3½ miles has been laid beyond this latter point, but is not yet linked up.

(2) Actual construction cost, £274,186.

(3) Yes, at short notice, up to the length of four miles mentioned in No. (1).

(4) Approximately 70 improved properties in Hazelmere and Bushmead can be served by extensions from the Mundaring-Guildford main when funds become available, and the work approved, Maida Vale will not be served from this main but from the existing hills main from Cannington.

(b) As to Wellington Dam Projects.

Hon. D. BRAND asked the Minister for Water Supplies:

(1) What length of piping has been laid—

(a) on the Wellington Dam, Narrogin line;

(b) on the Merredin-Bruce Rock-Narembeen line;

(c) on the Cunderdin-Wyalkatchem line?

(2) What contracts have been let in respect of any of the above-mentioned works, in order that the projects will be completed in a reasonable time?

The MINISTER replied:

(1) (a) 41¼ miles.

(b) 39½ miles.

(c) Nil.

(2) (a) Contract for 50 miles of pipes.

(b) For supply of pipes to complete main to Narambeen.

(c) Tenders have been received for supply of pipes from Cunderdin to Minnivale.

NATIVE DELINQUENTS.

As to Statement by Commissioner of Police.

Hon. A. V. R. ABBOTT asked the Minister for Justice:

(1) Does he agree with the following statement in the report of the Commissioner of Police for the year 1953—

> Half-caste natives both around the city and in the farming districts have been responsible for an increased amount of crime, and it has been found extremely difficult to obtain convictions in a number of cases, owing to the protection afforded to them by the provisions of the Native Administration Act relating to confessions.
>
> While the justice of these provisions in regard to the primitive natives is not doubted, their application to educated half natives has no apparent justification?

(2) If he does agree, what action does he propose to remedy the position?

The PREMIER (for the Minister for Justice) replied:

(1) and (2) I have no personal knowledge as to whether or not half-caste natives have been responsible for an increasing amount of crime.

I agree that in a number of cases it has been found extremely difficult to obtain convictions against half-caste natives owing to the protection afforded to them by the provisions of the Native Administration Act relating to confessions.

I am having inquiries made into the justification for the application of these provisions to the educated half-caste natives. It will partly depend upon the result of these inquiries what action, if any, will be taken in the matter.

PILLAGING.

As to Safeguards.

Hon. A. V. R. ABBOTT asked the Minister for Police:

(1) Is he aware of the statement in the report of the Commissioner of Police for the year 1953 that "the position generally in regards to these offences (referring to pillaging offences) may be said to have improved"?

(2) Does he agree, as stated by the Commissioner of Police, that this is largely as a result of

(a) on opening, inspection of all visible cargo being made and any broached cases removed from the holds before unloading is commenced;

(b) close surveillance being maintained over all persons engaged in unloading cargo?

(3) Will he ensure that the present system is continued?

The MINISTER replied:

(1) Yes.

(2) (a) On opening, inspection of all visible cargo is made. Broached cargo is removed by waterside workers under police supervision.

(b) Close surveillance is maintained over all persons engaged in unloading cargo. This has the effect of minimising offences, resulting in the improvement referred to.

(3) No reason is known at present why the system should not be continued.

NORTH-WEST.

As to Cancellation of Camp School, Carnarvon.

Mr. NORTON asked the Minister for Education:

Under whose authority, or on whose advice, did the Commissioner of Public Health (Dr. L. Henzell) recommend the cancellation of the camp school at Carnarvon, as reported in "The West Australian" of the 24th September?

The MINISTER replied:

On the advice of Dr. Ida Mann.

SUPERPHOSPHATE.

(a) As to Sulphur Production and Bounty.

Hon. A. F. WATTS (without notice) asked the Minister for Agriculture:

(1) Is he aware that of an approximate 186,000 tons of sulphuric acid produced in W.A. last year for the manufacture of superphosphate, about 89,000 tons were made from sulphur obtained from local pyrites?

(2) Is it a fact that proportionately to total production, manufacturers of superphosphate in this State used more of such locally produced sulphur than any other State, because W.A. responded to a greater extent than elsewhere to an appeal made three or four years ago for the use of locally produced sulphur, such appeal being due partly to the fact of the reported inadequacy of native sulphur supplies to meet world demands?

(3) Is he aware that the Tariff Board has recently recommended to the Federal Government that a bounty be paid on sulphuric acid produced in Australia from Australian sulphur-bearing materials, at a rate to be prescribed by regulation after Tariff Board inquiry?

(4) Has he made representations to the Federal Government to adopt this report and to introduce at once the legislation that appears necessary for the implementation of this proposal?

(5) If the answer to No. 4 is in the negative will he agree to make such representations at once?

(6) Is it a fact that the sulphuric acid produced from Western Australian pyrites is more expensive than that produced in Queensland and South Australia from their pyrites due to the following facts:—

(a) Pyrites produced in W.A. provides no return other than the percentage of sulphur contained therein whereas Mt. Morgan pyrites contains marketable copper, while the local product in South Australia comes from zinc sulphides?

(b) The long haul by rail to factories in this State?

(7) If, as suggested in No. 6, Western Australian sulphuric acid is more expensive, will he urge the Commonwealth Government to provide for a greater bounty for this State's production, and in respect of production elsewhere in Australia similarly placed? If not, why not?

(8) Is he aware that the price of superphosphate in new bags in South Australia has recently been reduced 15s. a ton with corresponding reductions if in other containers?

The MINISTER replied:

(1) It has not been possible to identify the period to which the figures quoted by the hon. member relate. The quantity of

acid manufactured in Western Australia in 1952-53 was 142,000 tons, of which 61,000 tons was made from pyrites.

(2) Statistics for the past two seasons for other States are not readily available but could be obtained if desired. In 1952-53, 43 per cent. of the acid made in Western Australia was from pyrites compared with an estimated Australian figure of 49 per cent. It is not known how closely the estimate was approached in practice. In 1953-54, it is estimated that nearly 50 per cent. of the acid made in Western Australia will come from pyrites.

(3) Yes. The recommended bounty will be payable if and when brimstone becomes competitive with the local pyrites. At the time when the Tariff Board made its report (March, 1953), it did not consider that payments were needed, but pointed out the position could change rapidly.

(4) No.

(5) Yes, if after further investigation is made such action appears necessary.

(6) The reasons quoted by the hon. member are substantially correct.

(7) The Tariff Board pointed out that its task was to consider a bounty, not as a means of lowering the cost of superphosphate manufacture, but solely as a protective instrument. Presumably any payments made would have to be on some basis of equality between States, otherwise constitutional difficulties might arise.

(8) No.

(b) As to Local and South Australian Prices.

Hon. A. F. WATTS (without notice) asked the Minister for Prices:

(1) Is he aware (as reported in the "Adelaide Advertiser" of the 18th September) that superphosphate manufacturers in South Australia recently asked for a substantial increase in superphosphate prices?

(2) Is he aware that as a result of an investigation set in train in that State as a consequence of such request a decrease of fifteen shillings a ton in new bags, with corresponding reductions in other containers, was directed?

(3) In view of the very considerable difference in prices charged in this State as against South Australia, is he completely satisfied that increased costs due to local raw materials supply problems entirely justify the existing differences in prices?

(4) If not, will he direct an immediate inquiry with a view to either satisfying himself, or ensuring some reduction? If not, why not?

The MINISTER replied:

(1) and (2) No.

(3) and (4) The matter will receive consideration.

FORESTS.

As to Appointment of Conservator.

Mr. BOVELL (without notice) asked the Minister for Forests:

(1) Has anyone yet been appointed to fill the position of Conservator of Forests in Western Australia?

(2) If so, who has been appointed to that position?

(3) If not, when is the appointment to be made?

The MINISTER replied:

(1) and (2) No.

(3) It is anticipated that a decision will be made by the Government some time during next week.

ROYAL SHOW.

As to Arranging Through Bus Service.

Mr. YATES (without notice) asked the Minister for Transport:

Will he give consideration to allowing Government buses from South Perth and Victoria Park to proceed direct to the Show Grounds at Claremont on Wednesday and Thursday of Show Week to avoid passengers having to debus in the city and embus again at another point?

The MINISTER replied:

Yes, consideration will be given to this matter.

BILLS (3)—THIRD READING.

1, Companies Act Amendment (No. 1).

2, Pig Industry Compensation Act Amendment.

3, Collie Club (Private).

Transmitted to the Council.

BILL—CONSTITUTION ACTS AMENDMENT.

Third Reading.

THE MINISTER FOR JUSTICE (Hon. E. Nulsen—Eyre) [4.53]: I move—

That the Bill be now read a third time.

Question put.

Mr. SPEAKER: There being no dissentient voice, I declare the third reading passed with an absolute majority.

Question thus passed.

Bill read a third time and transmitted to the Council.

BILL—ENTERTAINMENTS TAX ASSESSMENT ACT AMENDMENT.

Second Reading.

Debate resumed from the 24th September.

HON. SIR ROSS McLARTY (Murray) [4.54]: This, I might say, is a little Bill, its purpose being to exempt the northern areas of this State from entertainments tax. To that I am sure there will be no objection. At the same time I think the Treasurer should have made provision for exemption in other parts of the State, particularly in those outback areas where film shows especially, and perhaps an odd dance, are the only forms of entertainment. I think of the electorate represented by the member for Murchison and such towns as Wiluna and Laverton to which I should imagine it would be expensive to take films and where, of course, the cost of entertainment would be heavier than in the more thickly populated districts. When speaking on one of the previous Bills dealing with the entertainments tax, I did express the opinion that consideration should be given to those outback areas.

While I have already said I agree that the northern parts of the State should be exempted, I feel that the places I have mentioned are just as hard-pressed and suffer just as many difficulties as those areas it is proposed to exempt. In fact, it would probably be much more expensive to provide entertainments in towns like Wiluna and Laverton than in Carnarvon. Although I have not any amendment to the Bill at present, I think the Treasurer might give consideration to the suggestions I have made. Perhaps we could say that at a distance of so many hundred miles from the Perth town hall the tax shall not be applied. That would be a fair thing. I presume we will hear something from those members who represent such distant areas, and if they desire to move any amendment providing for such places to be exempt, I shall be glad to give them my support.

THE PREMIER (Hon. A. R. G. Hawke—Northam—in reply) [4.56]: I desire to thank the Leader of the Opposition for his remarks. Representations have been made to me by some members from districts far removed from Perth, and consideration will be given to the suggestions. I explained to the House previously that the Government will be introducing further legislation this session in connection with the entertainments tax; and on that occasion, if we can see our way to do it, we will provide for exemption in some other areas.

Hon. Sir Ross McLarty: This session?

The PREMIER: Yes. One comes up against lots of difficulties in trying to decide where the line of exemption is to finish. With the North-West, it is easy to make a decision. Once one comes below the north-west areas difficulties begin to develop rather solidly, because there are very isolated areas in the south of the State as well as in the north; and if some other part of the northern area is exempted in addition to that provided for in the Bill, we might find people in other areas with equally good claims. Once that state of affairs is apparent it is very difficult to draw the line. However, I give the Leader of the Opposition an assurance that the suggestion he has made, together with those put to me by other members, will receive consideration before the new legislation is introduced.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—COLLIE-GRIFFIN MINE RAILWAY.

Second Reading.

Debate resumed from the 24th September.

MR. WILD (Dale) [5.2]: The measure is a very small one, and really sets out only to ratify an agreement reached by the previous Government in January of this year. I understand that the Griffin Coy. entered into this agreement in 1928 under conditions which have been followed over the years and have become the practice in the coalmining industry, namely, that a railway line would be constructed, and it would then be the responsibility of each individual company to see that there was no loss on the line.

From my looking into what the Minister had to say, and from inquiries I have made, there seems to me to have been some misunderstanding over the years with respect to this agreement, and finally the Crown Law Department and outside counsel were called in. They both agreed that something would have to be done to extricate everyone from what appeared to be an impasse. The previous Government entered into an agreement with the Griffin Coy. under which this section of line was to be taken over by the Railway Department and brought under the Railways Act. This seems to be the only way out of the difficult situation which has arisen, and as the Bill is only implementing that agreement, I support it.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—NURSES REGISTRATION ACT AMENDMENT.

Second Reading.

Debate resumed from the 24th September.

MR. HUTCHINSON (Cottesloe) [5.5]: The principal purpose of the Bill is to ensure that the training and registration of dental nurses shall be under the control of the Nurses Registration Board, which already, as the Minister explained, has control of the other branches of the nursing service. The purpose of the Bill is admirable in every way. It marks a real, and possibly a spectacular development and improvement in the quality of the work of the dental nurses of this State.

A great advance has been made in the training of dental nurses so that they have come to a pitch where they are readily and willingly accepted by the Nurses Registration Board as a body of people who thoroughly deserve the honour of being ranked with the other nursing services. All sections of the dental profession are in entire agreement with this registration move. I contacted the W.A. Dental Board, the Western Australian branch of the Australian Dental Association, the Commissioner of Public Health and a number of individual dentists, and all were high in their praise of the work being done for the dental profession in the matter of the training of the dental nurses by the local College of Dental Science.

I believe the Bill is unique in Australia, and possibly throughout the British Empire, with respect to the training of dental nurses and the fact that they are now to be incorporated with the other branches of the nursing service. The driving force behind the training of dental nurses was a man called Professor Radden who was formerly Dean of the Faculty of Dental Science in this State. He was a man of vision and it was his drive that enabled the College of Dental Science to go forward with the training of the nurses.

The course, as has been explained, is of three years' duration. The syllabus is quite an exacting one and most comprehensive, and I understand that it is to be incorporated in the Nurses Registration Act, but on this point I am not sure—perhaps the Minister might enlighten me. It is interesting and informative to know that Professor Radden, who is now the Dean of the Faculty of Dental Science at the Manchester University, recently sent post-haste for a copy or two of the curriculum of the nurses training school because, he said, nothing like that was being done in England and he felt there was a real need for such training of dental nurses there. As members can see, Western Australia leads in this field, which is very satisfactory. I expect that in future other States, and possibly other countries, too, will follow our lead.

The Minister for Health: I think we lead throughout the world in this regard.

Mr. HUTCHINSON: Yes. Just recently a Mr. Sundram who was seeking information for the School of Dental Science of Penang in the Malay States, passed through Perth on his return home. He had been to New Zealand where he studied the dental scheme there, which is rather different from ours. While he was here he became most interested both in the syllabus and the manner in which the dental nurses were being trained during their three years' course. He, too, has sought several copies of the curriculum so that the scheme may be instituted in the Malay States.

Whilst endeavouring to find out a few facts about the impact of the Bill and its importance, I had occasion to visit the Perth Dental Hospital with which is incorporated the Western Australian College of Dental Science. I would recommend to members that a visit to the dental hospital is well worth their while as they will find it is most enlightening. The hospital is very modern and has excellent equipment, although, unfortunately, it tends to be rather cramped in certain directions. Already it is showing the effects of lack of space. I imagine it will not be long before some additions will have to be made to the hospital. The institution is admirably run and the whole set-up can be highly commended. The Bill is perfectly sound. It has the blessing of all branches of the dental profession, and I support it.

THE MINISTER FOR HEALTH (Hon. E. Nulsen—Eyre—in reply) [5.40]: I am pleased at the reception of the Bill. As pointed out by the member for Cottesloe, it shows that we really lead the world in respect of dental nursing. Our nurses are of a very fine type and I am afraid our only trouble will be that there will not be sufficient of them to go around. I am pleased to have brought down a Bill that has been received with such unanimity.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—WESTERN AUSTRALIAN GOVERNMENT TRAMWAYS AND FERRIES ACT AMENDMENT.

Second Reading.

Debate resumed from the 24th September.

MR. OLDFIELD: (Maylands) [5.17]: After giving this measure a good deal of consideration I have come to the conclusion that it is yet another attempt by the Tramway Department further to protect both itself and its employees from what should be their responsibilities; responsibilities to which every other company, association or individual is subject every day. In Clause 3 the Bill attempts to protect an employee from any action arising from some misdemeanour on his

part. In doing so it permits the employee wilfully to damage the watch or clothing of a passenger and yet prevents the passenger affected from taking the usual action. In fact, a passenger has no redress whatever as regards compensation and all he can do is to lay a complaint before the management and trust that the department will discipline the employee.

The Minister stated that this Bill was aimed at tightening up what was originally Section 12 of Act No. 58 of 1912 and was an endeavour to protect the department. That legislation has been in force for 41 years and all the department can now find against it is that it has afforded the general public some measure of protection over that period. Surely we all agree that the public is entitled to some measure of protection. Take, for instance, the case of a vehicular smash resulting from negligence, drunken or dangerous driving by an employee of the department. The owner-driver of the private vehicle may not have his vehicle insured and he may be in hospital for many months. His health may be such that he is entirely incapable of commencing an action against the department, in regard to damage to his vehicle, within the prescribed time. Of course the driver would be covered for personal damage under the third party insurance.

As the Act stands at present, and has stood for 41 years, such person, who may not be well enough for 12 months to commence an action against the department, has some measure of protection despite that lapse of time because he can bring an action against the employee. If this Bill becomes law, Section 26 will read as follows:—

> All actions, suits, claims and demands relating to or arising from anything done, or intended, or omitted to be done by the Crown, the Minister, The General Manager or a person acting under the authority or direction of any of them, including negligent acts and omissions, in, or in connection with, or relating to the management, maintenance or control of any Government tramway or motor omnibus provided and run under subsection (3) of section sixteen of this Act, or ferry shall be brought, maintained and enforced against The General Manager and not otherwise;and subject to the limitations and provisions of this Act, The General Manager may be sued in respect thereof in any court of competent jurisdiction.

It will go further and there will be a new Section 26A. which will read—

> Where anything which is permitted to be carried
>
> in a tram-car on a tramway; or in a vessel on a ferry;
>
> managed and controlled under this Act by The General Manager; or
>
> in a motor-omnibus, provided and run under subsection (3) of section sixteen of this Act by The General Manager,
>
> is lost, damaged, or destroyed, and no charge has been made for the carriage of it, neither the Crown, the Minister, The General Manager nor a person acting under the authority or direction of any of them is liable for, or in respect of, the loss, damage or destruction.

Surely that is carrying a little too far the principle that the Crown can do no wrong; it even goes so far as to say that an employee of the Crown can do no wrong when it should be that such employee shall do no wrong. What of the case where an employee damages a perambulator through unnecessarily rough handling, deliberate or otherwise? What can the young mother do to obtain adequate compensation? The Minister must agree —and he will have seen this from his own observations—that some tram drivers and conductors, being resentful of having to haul prams up and down, do use unnecessary force in their handling of prams.

Mr. Hutchinson: Not all of them.

Mr. OLDFIELD: I agree, but some of them do. The Minister, when asked by way of interjection whether there had been any previous claims which necessitated the introduction of a measure such as this, refused to answer. He said that he was not prepared to ask the office staff to make the information available, so it is reasonable to assume that no such claims have been made. He further stated that the query as to whether there had or had not been claims in the past had no bearing on the question, but that the department was attempting to guard against the possibility of any claims in the future.

The whole Bill is aimed at permitting the department to evade its responsibilities and also to afford protection to its employees for their misdemeanours. I use that word, and in that vein, following on the way the Minister spoke when he introduced the measure. He said he thought that the department should not be liable if a passenger falls as a result of a sudden stop or start of a tramway vehicle, or because of some misdemeanour on the part of an employee. If the Bill is successful in passing the second reading—and I hope it will not be—I intend, in Committee, to attempt to amend it so that employees will continue to be held responsible for any of their misdemeanours. I also wish to amend the measure in such a way that the principal Act will continue to protect the interests of injured persons who may be incapable of taking any action against the department within the prescribed period of six months. I oppose the Bill.

MR. O'BRIEN (Murchison) [5.25]: I support this Bill because I have a thorough knowledge of the Tramway Department. I was employed by the department for a period of 5½ years and during that time I was a student conductor, conductor and motor-man as well as a trolley-bus driver and bus driver. While I was employed with the department I found the public, at times, difficult to handle and in 1938-39 a conductor, after he had passed through his period of studentship, was granted a margin of 18s. because of the difficulties associated with his job. The majority of people consider tramwaymen to be most courteous at all times.

Mr. Oldfield: But surely you must admit that a few of them are not.

The Minister for Housing: And a few members of Parliament are like that.

Mr. O'BRIEN: Tramway employees are entitled to the protection which this measure will give them, and the Bill has my full support.

Question put and passed.

Bill read a second time.

In Committee.

Mr. J. Hegney in the Chair; the Minister for Railways in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Section 26A added:

Mr. OLDFIELD: I must oppose this clause in its entirety for the reasons I set out when speaking to the second reading. The clause gives complete protection to the department and its employees against any claim for compensation as regards damage to any article, even though such damage may have been caused by the negligence of the department or its employees. When introducing the measure the Minister said that some employees did commit misdemeanours and, as a result, it might be possible for some person to take action.

The Minister referred to the case of a valuable vase being broken because of the negligence or misdemeanour of a tramway employee. If this clause were carried, the passenger would have no redress whatever. He could not take action either against the department or the tramway employee. I appreciate the member for Murchison wanting to protect the tramway employees but I feel we should also give the general public some redress to enable them to take action against the department if necessary. The Minister declined to state whether there had been any previous claims.

The Minister for Railways: I said I did not know.

Mr. OLDFIELD: The Minister said he was not prepared to have the department go into the matter.

The Minister for Railways: I do not remember that.

Mr. OLDFIELD: It does not matter whether there has been a previous case or not. If there has been no such case in the past, why worry about it now? We are concerned with what may happen in the future and the department and the tramway employees are to have full protection if they are negligent or commit a misdemeanour. If they know they have this protection, they may be a little careless from time to time. I agree most of them are courteous and do a good job but there are the exceptions; there are a few narks among them. I think there should be some redress provided for the citizens.

Hon. A. V. R. ABBOTT: I feel that the clause is a little severe. The Minister said that the department might be liable for damage to property of value which might be carried. Under the law of tort I think that is so, if there is negligence.

The Minister for Railways: There may not be negligence.

Hon. A. V. R. ABBOTT: There would have to be negligence.

The Minister for Railways: There would not have to be negligence at all.

Hon. A. V. R. ABBOTT: I do not propose to be assertive; one would have to study the cases very carefully to do that. I think the law is that if a person relies on contract and sues the Tramway Department for breach of contract to carry the article from one point to another, for which the person has paid a fare, then in my view the damage would be such as could be reasonably contemplated as one of business, and would be limited to that damage. On the other hand, if he sued in tort because of negligence or the neglect to carry out a duty at law, the damage would be unlimited. That is probably the law. After all the Tramway Department is there to carry on business for the public in the ordinary way. Few people travel on the trams without carrying something of value. It is normal business, and the Government should be prepared to carry on business in the normal manner. Nearly every passenger would have a wrist-watch and if that wrist-watch were broken through negligence, the person would have no redress. The employees of the private motor-bus companies would not get this protection. Why should the employees of the Tramway Department get it?

The Minister for Railways: Do you think this provision would protect a person with respect to damage to a wrist-watch?

Hon. A. V. R. ABBOTT: I think it would. I think the provisions limit damage to a person; I cannot see any other interpretation. I do not see why the Government should have greater protection than the private bus companies. Would the Minister give this protection to private companies? I am going to propose an amendment to limit the liability. Say a

motorman is so careless that he runs into the rear of another tram and smashes some unfortunate woman's pram. Should not the Tramway Department be responsible? I think we should limit the claim to be made to £100, or £50 if the Minister prefers it. The Minister proposes to protect an institution that can offord to give some protection, leaving other members of the community unprotected. I move an amendment—

> That at the end of the clause the following words be added:— "exceeding a sum of £100."

The MINISTER FOR RAILWAYS: The member for Maylands has drawn on his imagination a good deal when opposing the Bill; so also to a lesser extent has the member for Mt. Lawley. I should say that at present, and even with the amendment agreed to, if a person suffers damage to his property, which can be established as neglect or carelessness on the part of an employee, the Tramway Department will be responsible. There is no intention of evading that responsibility. But if a person's clothing was damaged or irrevocably ruined, or a person was hurt, then the amendment in the Bill would not, of course, apply. The provision in the Bill is to protect the Tramway Department against any claim arising out of damage which might be done, not through any fault or misdemeanour on the part of the employee as the member for Maylands says.

Mr. Oldfield: Those were your own words.

The MINISTER FOR RAILWAYS: It is to protect the employee or the department against circumstances over which they have no control. I visualised the case of a tram-car or a trolley-bus approaching an intersection and another vehicle suddenly shooting out in front of it. The driver would no doubt make a desperate attempt to avoid a collision, and in doing so a valuable ornament such as a crystal vase, for the carriage of which no fee had been charged, might be damaged. In such a case the department or the employee would not be responsible. Any normal person would expect the driver to try desperately to avoid such a collision. That is the intention of the amendment.

Hon. A. V. R. Abbott: It does not carry it out.

The MINISTER FOR RAILWAYS: At one time I would have been prepared to accept the hon. member's opinion, but after his stalling and playing party politics when speaking to the Firearms and Guns Act Amendment Bill, I am not so sure now that it would be wise to do so.

Hon. A. V. R. Abbott: I have never made a misstatement.

The MINISTER FOR RAILWAYS: I am not wedded to the requirements of the department, and I am prepared to report progress with a view to letting the Crown Law authorities and the Tramway Department have another look at it, and if there is any substance in what has been submitted, I am quite prepared to consider it.

Progress reported.

BILL—VERMIN ACT AMENDMENT.

Second Reading.

Debate resumed from the 24th September.

MR. ACKLAND (Moore) [5.45]: I intend to support the second reading. I followed carefully and with great interest the remarks made by the Minister for Agriculture when moving the second reading. To anyone living in the agricultural areas, matters dealing with vermin and vermin destruction must necessarily be of interest, more particularly to those settlers who at some time or other have acted as buffers to areas more closely settled and having a great deal more in the way of improvements.

The reasons given for the Bill seem to be quite sound, and I think should command the support of members generally. It is pleasing to note that recognition is to be given to those settlers who bear the burden of vermin destruction. The proposal that the rating should be altered from an area basis to an unimproved capital value basis is the most important one in the measure. The Minister gave some instances where a man outback with a property of relatively low value had to protect the inside man and was to receive redress by rating on the unimproved value as against the area basis, and so would receive considerable benefit, because his unimproved value would be so much less than that of more highly improved and favourably situated properties.

Other amendments are proposed in the Bill. I think we should recognise that the chairman of the board should receive a salary if, in the opinion of the Minister and the central authority, he is entitled to it. The clause granting power to increase the vermin rate during a financial period, with the approval of the Minister, should be treated with some care.

The Minister for Agriculture: With a good deal of caution.

Mr. ACKLAND: "Caution" is the word I was seeking. This is perhaps the weakest provision in the Bill, but the arguments advanced by the Minister contain some virtue and, so long as caution is exercised, the provision might well be retained at this juncture.

Finally, there is the provision for penalties. Some people have been ready to shirk their responsibilities and not comply with the requirements of the Act to the satisfaction of the inspectors and, when prosecuted, have been let off with such light penalties as to be discouraging to the board and especially to those who are employed to police the Act. The inclusion of a minimum amount, as provided in the amendment, has much merit. In short, I consider that there is not much wrong with the Bill, but I should like the Minister to watch closely this authority to increase a rate during the financial year. Otherwise, the measure has my unqualified support.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL — INDUSTRIAL DEVELOPMENT (KWINANA AREA) ACT AMENDMENT.

Second Reading.

Debate resumed from the 17th September.

HON. A. F. WATTS (Stirling) [5.53]: I propose to support the second reading. The parent Act was one of those measures liable to require amendment upon consideration of the results that might be achieved by use of the legislation, which was of a somewhat unusual character when first introduced. One aspect of the Bill that struck me as being strange was that there was no provision to extend the time within which resumptions under the parent Act would be valid and which is now limited to the 31st December, 1953. As the Minister now proposes by the Bill to make some variations in the allocation of land—for example, instead of for specific industries, for industry generally, and to make some change in the administration, so that land for industry would be dealt with by the Minister for Industrial Development and land for town planning by the Minister for Lands—the need for an increase in the time is not so real as it at first sight appeared to be.

Doubtless preparations have already been made for any action to be taken under the amended law and, if the measure is passed in reasonable time, there will be ample time in which the necessary activity can take place. If the resumptions have already taken place, of course, it does not much matter.

As I understand the parent Act, the balance of the provisions apply indefinitely. It is only certain powers conferred on the Minister or the Government by Section 5 that are limited in the way I have indicated, so there appears to be no ground for objection and no difficulty is likely to arise.

As the one who introduced the original legislation into this House and later a Bill to amend it, I consider it advisable to make some changes in the administration as proposed by this Bill, particularly in reference to areas of land taken by the Crown for town planning purposes. The proposed amendments to Section 11 of the parent Act, which were inserted by the amending Act of 1952, are desirable. Section 11 (2) provides—

> Where any land mentioned in subsection (1) of this section is set apart, taken or resumed under the provisions of this Act, the land may be reserved and disposed of in accordance with the provisions of the Land Act, 1933-1950.

That is a very general provision. The amendment proposed in the Bill is that the land may—

> be reserved, used, developed, leased, sold or otherwise disposed of for an estate in fee simple or otherwise in such manner including public auction, private treaty or by tender and upon such terms and conditions including the reservation of restrictive covenants and for such rentals, price, premium or other consideration or by way of gift as the Governor on the recommendation of the Minister for Lands, approves.

I am not objecting at all to amending the section in that way. Some people might question the inclusion of the words "or by way of gift as the Governor on the recommendation of the Minister for Lands, approves," and might ask why it should be desired to take possession of land under the parent Act in order to give it away. To anybody who thinks for a moment, the explanation is quite obvious. In an area such as this which is being newly developed, land will have to be provided for philanthropic and religious bodies and such institutions as infant health clinics, and for such like public purposes. Therefore there can, I think, be no objection, bearing in mind the well-known reluctance of the Lands Department to make gifts of land other than for the most deserving purposes. All in all, I feel that the proposals contained in the Bill are desirable. I have no objection to them and for that reason support the second reading.

HON. L. THORN (Toodyay) [6.1]: In view of the fact that this Bill seeks to make provision for further resumptions of land for industry, I feel that firms such as the Anglo-Iranian Oil Coy., the Broken Hill Proprietary Ltd. and the cement company, which have already obtained their industrial sites on the seafront, are

most fortunate. In fact, they have some of the finest sites for industry that could be found in this State. Admittedly it was highly desirable to have those industries established here, and there is no doubt that they will play a large part in the future development of the State, but I make an earnest plea that whatever Government is in power in the future, it should demonstrate its statesmanship by reserving the remaining beach front in the Rockingham area for the public.

After all, our beaches are a heritage of the people and will provide for the health and entertainment of the large population that is expected to congregate in the area to which I am referring. I am hopeful that no more industries will be allowed to encroach on the beach front. When I was Minister for Lands I always did my best, as my then colleagues of Cabinet will agree, to convince them that any further industries to be established should go inland.

The Minister for Housing: Apparently you were not very successful as regards the Kwinana area.

Hon. L. THORN: I think the Minister will agree that the industries established there are such as require wharfage space, and that refers particularly to the oil refinery.

The Minister for Housing: It is not necessary to have several miles of beach frontage in order to provide wharfage.

Hon. L. THORN: The Minister is entitled to his opinion and I may not disagree with him but I was responsible for persuading the Co-ordinator of Works to set up a committee to watch the position in the interests of the public. That committee consists of Mr. Steffanoni, Mr. Fyfe and several others and has done good work. The whole of the Rockingham area is well drained. I do not wish to do anything to prevent the development of industry in this State but I maintain that there is available plenty of land suitable for industrial purposes away from the seafront.

The Housing Commission has established the townsite of Medina—in a nice well-drained area—which will no doubt become one of the most efficiently developed new towns in Western Australia. The Kwinana area has been planned for a population of 20,000 people and now we have expert advice from our town planners stating that we should be making provision for 40,000 people there. Whatever Government is in power, it will be responsible for seeing that the remaining beach in that area is reserved for the people.

The Minister for Justice: I think your Government gave away too much of the beachfront.

Hon. J. B. Sleeman: Most of it has been given away already.

Hon. L. THORN: There is any amount of beach left quite handy to Medina. The hon. member is entitled to his opinion that too much of the beachfront has been given away.

Hon. J. B. Sleeman: Miles of it have been given away.

Hon. L. THORN: I do not dispute that. The beach in that area is some of the safest in Western Australia. There is plenty of it left and it is capable of development as one of the finest pleasure beaches in the world. I do not think there is a spot from the boundary of the oil refinery area to Rockingham and out to Point Peron where there could be any danger to children swimming off the beach in that vicinity.

Mr. Yates: Has the committee you mentioned made any recommendations?

Hon. L. THORN: It has been watching the position and I think it has submitted recommendations. From my discussions with the committee, I do not think its members disagree with me. I repeat that there is no shortage of land suitable for the establishment of industry well away from the beach front, with water readily available. In almost any part of the areas I refer to, one can, by boring, obtain good drinking water at a depth of 20 feet. There may not be sufficient of it available for the needs of a big industry like the oil refinery, which no doubt would require other water supplies, but from the residential point of view the underground source of supply is quite sufficient.

To bear this out, I might add that every residence in Rockingham has its own independent water supply. All that is necessary is to put down a spear. At about 20 feet one strikes a shell formation containing an abundance of good water. I am aware that industry will in future demand beach frontages, but I hope that whatever Government is in power will say, "There is plenty of suitable land, upon which you can establish your industry, not far from the beach front." If those concerned are keen, they will then establish their industries here in spite of the fact that they are not allowed to encroach further on our beaches.

The Minister for Justice: How many miles of beach frontage in the Kwinana area have already been taken up by industry?

Hon. L. THORN: I could only guess but I think it would amount to two or three miles.

Hon. J. B. Sleeman: Would that include the area allotted to the B.H.P.?

Hon. L. THORN: Yes. I do not think there is more than two miles of the beach front already taken up.

Mr. Lawrence: Have not further sections already been promised?

Hon. L. THORN: I do not know, but at all events the health of the people is at least as important to this State as is the establishment of further industries, and I repeat that our beaches should be preserved for the people, particularly as at Cottesloe and other metropolitan resorts the movement of the tides and currents has resulted in rocks showing up on the beaches in a great number of places.

In any case, why should people engaged in industry at Kwinana be forced to travel to metropolitan beaches? The Kwinana Oil Refining Coy. has 75 acres reserved for recreation purposes and I think we should keep a close watch on the position in that area in future. I am convinced that further industries which will want to establish themselves in the Kwinana area will be willing to do so even if they cannot obtain beach frontages.

The Minister for Justice: The most important of our industries are the primary industries.

Hon. L. THORN: Yes, but many of our secondary industries run parallel with them. Members will admit that oil fuel is essential nowadays in our primary industries and that the establishment of a steel works will, if it results in the manufacture of wire and so on, be of considerable help to our primary industries. The same thing applies to the cement works, but I repeat to the Government my plea that it should protect the remaining beach frontages in the interests of the health of the community and those that will be working in the major industries to which I have referred.

Sitting suspended from 6.15 to 7.30 p.m.

HON. J. B. SLEEMAN (Fremantle) [7.30]: I would like some explanation of the provisions of the Bill, portion of which reads—

> . . . by the Governor on the recommendation of the Minister for Lands subject to the provisions of the Oil Refinery Industry (Anglo-Iranian Oil Company Limited) Act, 1952, be reserved, used, developed, leased, sold or otherwise disposed of for an estate in fee simple . . . and for such rentals, price, premium or other consideration or by way of gift as the Governor on the recommendation of the Minister for Lands approves.

According to that wording it seems to me that His Excellency can give away certain lands to these people and I cannot see why the provision in the Land Act, which sets out that land can be granted for certain purposes, could not be used. Free land can even be granted to the State Housing Commission, but when it desires to sell blocks to the workers, it wants its last pound of flesh by asking for the full unimproved value of the land.

In the Land Act, as I have said, provision is made for certain lands to be granted free to the State Housing Commission, but after obtaining such land, when it desires to sell blocks to workers, the commission holds out for the full unimproved value existing at the date of sale. When replying, I would like the Premier to assure the House that the workers will have a fair deal. I have nothing against these companies concerned but today the trend appears to be that everything must go to Kwinana. I would like the Premier to explain the words, ". . . or by way of gift as the Governor on the recommendation of the Minister for Lands approves."

MR. LAWRENCE (South Fremantle) [7.42]: I fully endorse the remarks made by the member for Toodyay, particularly those in regard to the reservation of the beaches for the people, and especially that portion of the beach extending from the southern tip of the Kwinana area down to Rockingham. I realise that we cannot stand in the way of progress, whether it be in the primary or the secondary industries. However, mainly due to the past action of the previous Government, I feel that too much of the land in that area—which, incidentally, is in my electorate—was granted to these people in large tracts and it should be borne in mind that, irrespective of the land that has been granted along the ocean front, cement companies have entered the area and have taken up another eight to nine hundred acres in the hinterland.

Hon. A. F. Watts: Of course, they bought the land.

Mr. LAWRENCE: That is true, but when we have regard to the remarks made by the member for Fremantle, wherein he stated the Governor could grant, on the recommendation of the Minister, free land to any industry, it makes me fear that the same principle that was followed in regard to B.H.P. and the Anglo-Iranian Oil Coy. may be adopted in this instance. However, as I have said, I do not wish to stand in the way of progress of any industry because I know it will mean a great deal to the economic wealth of this State. However, when an industry is to be established on the waterfront it would not impose any hardship on the company concerned if the land allocated was in the direction northwards of the B.H.P. reserve.

I trust the Premier and his Ministers will bear that in mind. In that area at the moment, extending from the southern tip of the refinery along to the fish markets jetty, there is the South Fremantle power house, W.A. Meat Exports Ltd., Anchorage Butchers Ltd., the wool stores, the scouring works and the skin sheds, all of which can be regarded as noxious industries, and the water along the waterfront is fouled pretty badly as the result of their operations. I consider

it is unfair to permit any more of the beach frontage, other than that which I have mentioned, to be taken away from the people who live in that area, especially when we have regard to the fact that it has been said that ultimately the population will be built up to 40,000 people and, for them, I would demand of any Government that an amenity in the way of a decent beach be reserved.

So far as I can see, there is no reason why the area from Kwinana down to Rockingham cannot be made a permanent class "A" reserve. I believe it has been handed over by the Commonwealth to the State Government. If such be the case, the Minister could quite easily implement the machinery available to make the land a class "A" reserve and thereby keep for the people concerned a reasonable swimming area.

Hon. L. Thorn: I agree that is the right thing to do.

Mr. Oldfield: That is one of the most sensible suggestions you have made.

Mr. LAWRENCE: There is another factor to be considered. All those industries do not need to be on the waterfront; but, as the member for Toodyay suggested, we will have the spectacle of industrial firms waving the big stick and saying that they do not want to go inland where there is plenty of land available for industry, but want access to the waterfront, and if they cannot do that they will not establish their industries here. I suggest that people wanting to establish industries will naturally come here to make a profit and they have no right to try to bludgeon their way through and obtain land on the waterfront. The beach to which I have referred is one of the safest in Western Australia, especially for children.

Hon. L. Thorn: Absolutely!

Mr. LAWRENCE: It is high time that we gave consideration to amenities for the people down there. We have set aside everything for industry. In the last couple of years we have probably given to secondary industries much more than we have to primary industries. It is well known that some departments have had to go short of money while big secondary industries have received all the benefit of what has been available. I will not comment further except to say that I trust the Premier and his Ministers will bear in mind my remarks about making that area a permanent class "A" reserve so that some amenities will be made available for the people in that district.

THE MINISTER FOR INDUSTRIAL DEVELOPMENT (Hon. A. R. G. Hawke—Northam—in reply) [7.50]: The Bill does not provide for the resumption of any land additional to that which has been resumed or might still be resumed during the balance of this year under the parent Act. I thoroughly agree with the views expressed by the member for Toodyay and the members from the Fremantle district with regard to the wisdom of holding as much waterfront land as possible for the use of the people for bathing and similar recreations, which we all know are of great advantage to the community anywhere. There is a Cabinet sub-committee that deals with Kwinana problems as they arise, and the members of that committee can be relied upon to ensure that the maximum area of sea-frontage possible is retained for the purposes that have been mentioned by the hon. members.

Concerning the point raised by the member for Fremantle about the power contained in the Bill for the Governor, on the recommendation of the Minister, to give land away, I would point out that that power is one that will be used very carefully by the Government. It is certainly not intended to give any land away to industrial concerns and private companies. The purpose of that part of the measure is to enable the Governor-in-Council, on the recommendation of the Minister, to make land available for community purposes, in order that community amenities may be developed on a reasonable scale in the Kwinana district.

It might be information to new members to say that although the Governor is given this power, the provision, in effect, means that any recommendation from the Minister for Lands has to be approved by the Premier and subsequently has to go to a meeting of Executive Council at which the Governor would be present. Therefore, there is plenty of safeguard in relation to that part of the Bill, and the member for Fremantle and all other members may rest assured that the only other areas that will be given away by the Government will be land required by voluntary organisations to establish amenities and advantages in the Kwinana area to serve the interests of the people down there.

Mr. Yates: Are you in favour of the land from the boundary of the Kwinana installation to Rockingham being kept as a class "A" reserve?

The MINISTER FOR INDUSTRIAL DEVELOPMENT: I have not given consideration to that question, but would be quite prepared to refer the matter to the Cabinet sub-committee on Kwinana in order that it might receive attention.

Question put and passed.

Bill read a second time.

In Committee.

Mr. J. Hegney in the Chair; the Minister for Industrial Development in charge of the Bill.

Clauses 1 to 4—agreed to.

New clause:

The MINISTER FOR INDUSTRIAL DEVELOPMENT: I move—

That a new clause be added as follows:—

"5. The principal Act is amended by adding a section as follows:—

12. Where the Minister is satisfied that a person, who is the—

(a) registered proprietor of an estate in fee simple;
(b) purchaser under a contract of sale;
(c) lessee;
(d) occupier; or
(e) user

of land to which section six of this Act applies has carried out or fulfilled the terms and conditions upon which the land was leased sold or disposed of to him, or has developed or used the land for the purpose for which he obtained it, the Minister may by notice under his hand published in the "Gazette" exempt the land from

(i) the provisions of sections six and eight of this Act; or
(ii) any conditions limitations or other restrictions created or imposed by the Minister in exercise of the power conferred by the provisions of those sections

and thereupon the provisions of sections six, eight and ten of this Act and the conditions limitations or restrictions cease to apply to the person and the land."

The main purpose is to give the Minister the right to free any person or firm from certain restrictive conditions in the Act when the person or firm concerned has already carried out or fulfilled the terms and conditions under which the land was leased or sold, or has developed or used the land in question for the purpose for which it was granted under the provisions of the Act. It is considered that where land has been made available and the person or firm has used it strictly in accordance with the conditions under which and for the purposes for which it was made available, the restrictive sections of the Act should no longer apply.

In other words, where the person or firm receiving the land has carried out the contract and has done what the person or firm was called upon by the Minister or the law to do, that person or firm should not continue for all time, or for years to come, to be bound by very restrictive conditions that were meant to apply only during the period that the person or firm was completing his or its side of the bargain. It will be noticed that the proposed new clause leaves the suggested power in the hands of the Minister so that he will decide whether a particular firm or person, having had land made available to it or him at Kwinana, has faithfully carried out all the conditions. Where the Minister is so satisfied, he will be empowered by the new clause, if it becomes law, to release the firm or person from the restrictive sections of the Act.

Hon. A. F. WATTS: I am wondering whether the proposed new clause has received the consideration it deserves. Section 6 sets out the conditions upon which the land is to be disposed of by the Minister, and it requires the Minister to act on the advice of a committee which is appointed by the parent Act. Paragraph (c) of Section 6 provides that unless the committee approves of the proposed exercise of the power, the Minister shall not exercise it. This particular part of the Act was put in as the result of an amendment which followed a suggestion from the present Minister for Works.

Unless the committee approves of the Minster's activities, he shall not exercise the power, but the Minister by this proposed new clause is to be left to determine whether the conditions have been fulfilled and whether the person and the land to which the conditions applied are to be freed from them. If the committee is to continue in existence, as it must—or it can be formed at any moment because the personnel is set out in the Act—it ought to have the opportunity of deciding or assisting to decide whether or not the conditions originally imposed have been complied with. The Minister might give careful consideration to this aspect.

When the matter arose here, the then member for Melville made out a strong case in regard to the necessity of having some such advisory committee. He pointed out, among other things, the invidious position in which the Minister might find himself if he were compelled to make a determination entirely without departmental or expert advice. The amendment was subsequently prepared and, I think, unanimously passed by the Committee. I am not too clear about the use of the word "user" in paragraph (e) of the proposed new clause, and the subsequent reference to the release of the person and the land from the conditions, limitations or restrictions.

I can understand that where a title of some kind is given, the release of both the land and the person from the conditions is desirable and necessary. I cannot, however, quite perceive that when a person is permitted to use land only for industrial purposes and he, in the course of the use of the land for those purposes, has complied with the conditions laid down, both he and the land should be relieved of the restrictions. It seems to me that the word "user" should not be there if it is to relate, as it does here, to the release both of the person and the land from the restrictive conditions.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: The proposed new clause gives the Minister the authority to do the things set out in it, only where he is satisfied that the people concerned have fulfilled all the conditions under which the land was made available to them, or have developed or used the land for the purpose for which it was obtained. The new clause, because it is framed this way, safeguards the position thoroughly in my opinion.

Section 6 of the Act, would, of course, operate in the usual way. The committee would still continue where its activity was needed, but when land had been made available and the people to whom it had been made available had faithfully carried out the conditions applying to it, then the Minister could exercise the right proposed here and issue to the people concerned the freedom from the restrictive sections of the Act. If members realised that what is now proposed could operate only when the people who had obtained the land had fulfilled all the conditions imposed, they would see there was no real necessity to bring the existing committee into operation in regard to this matter.

The committee was provided for to ensure that land set apart or resumed under the Act could thereafter be reserved, etc., by the Minister after he had taken the advice of the committee, and after the committee had given approval. The proposed new clause will not come into operation up to that stage but only after the people who had obtained possession of the land had carried out all the conditions which had been imposed when the land was made available to them. It was thought that when a firm had lived up to the conditions imposed upon it when the land was made available, it would have fulfilled its contract and should be entitled to have the land freed from the restrictive sections of the Act. The proposed new clause is thoroughly safe.

I do not think there is any need to bring the existing committee, as provided for in the Act, into the picture at this stage. The Minister, on the advice of his appropriate officers, would be able to decide whether the firm in question had fulfilled all the conditions and lived up to its contract, and upon being so satisfied, he ought to be free to take the steps set out in the amendment to free the particular company from the restrictive sections.

Hon. A. F. WATTS: The Minister could be regarded as being just as competent to lay down the conditions on which the land should be granted or set apart without the advice of the committee, as to decide whether the conditions laid down on the advice of the committee have been complied with. As far as I can see, he is no better position in the second case than he was in the first. In the first case, under the terms of the Act as it stands, the Minister is obliged to take into consideration the views of the committee, and, in fact, not to exercise the proposal until the committee approves. So the committee is in a major position in regard to the first determination.

When it comes to the question of seeing whether the conditions laid down have been complied with, the committee has no competence whatever, and it seems to me that, while I do not wish, knowing the situation fairly well in regard to this legislation, unduly to hamper the operations of the Act, I still think the committee ought to have some place in the scheme in relation to this new clause. Therefore, I move—

> That the proposed new clause be amended by adding after the word "Minister" in line 26 the words "after consultation with the advisory committee referred to in paragraph (e) of Section six of the Act."

That seems to be a reasonable proposal and I trust the Minister will accept it. It is not designed unreasonably to obstruct operations under the Act but merely to be consistent with the existing provisions and to afford the committee and the Minister an opportunity of consultation.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: I have no objection to the amendment. I think the work placed on the shoulders of the committee under Section 6 is more vital and difficult of decision than the work which the Minister would have on his shoulders in connection with this amendment.

Hon. A. F. Watts: That may be so.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: I have no objection to the committee having to be consulted by the Minister. There is nothing mandatory in this amendment; it merely puts upon the Minister an obligation to consult with the committee and, after consultation, he may, if he thinks it wise, take action to free a particular firm from the restrictive provisions of the sections of the Act mentioned in the new clause. I support the proposal.

Amendment on amendment put and passed: new clause, as amended, agreed to.

Title—agreed to.

Bill reported with an amendment.

BILL—COMPANIES ACT AMENDMENT (No. 2).

Second Reading.

Debate resumed from the 24th September.

MR. BRADY (Guildford-Midland) [8.21]: I have had a look at the proposed amendments and, in the main, I agree with them. It would appear that the Registrar of Companies has experienced a little difficulty with sections of the Act and he desires to remove these difficulties and make matters a little easier for some of our clubs and associations while, at the same time to tighten up one or two loose provisions in the principal Act. There are one or two other proposals to which the Treasurer or the Minister for Mines might give consideration, and these concern the suggestion that there shall be a minimum eight point face measurement used in every prospectus. That may cause some of the Eastern States companies a little difficulty and might limit certain investments in Western Australia. However, by and large, all the amendments are desirable.

The clause which eliminates the necessity for clubs and associations having to render returns every 12 months is a desirable one. These returns are of little value to the registrar, although it is not altogether advisable to allow a club or association to carry on indefinitely without having to submit some sort of return to the registrar. If clubs and associations have to submit returns once every four or five years, that seems a reasonable period. In the return, a club could show the names of the persons filling the official positions, the state of the finances of the particular club and the number of shareholders or club members, and so on.

The proposal which will make it compulsory for auditors to receive notices of all general meetings is desirable. It is on record where companies have carried on for years and, apart from an abridged report appearing in the balance sheet, neither the auditor's report nor any of the auditor's remarks have been shown. I think an auditor should receive not only notices of general meetings but also notices of all meetings of the company concerned. However, as the amendment in the Bill merely states "all general meetings," I do not think we can object to it. The more meetings that an auditor can attend, the better it is for the company and for the shareholders concerned.

There is a provision in the measure that will strengthen the section of the Act dealing with the appointment of liquidators. As the Minister said when introducing the Bill, there have been cases where a man has acted in the capacity of chairman at the beginning of a board meeting and has finished up, at the same meeting, as liquidator. It is not desirable to encourage such a position and, as the Minister said, it is preferable for a liquidator to be an independent person. If the liquidator is entirely independent of the company, all concerned in the winding up get a fair go. On the other hand, a director or an employee could divulge certain information, deliberately and unbeknown to some of the shareholders, which would prejudice their interests. So I think the proposed amendment is most desirable, because it will ensure that no recently-retired director or employee is permitted to act as the liquidator of a company in which he has been interested.

There is another clause which, although desirable, to some extent implies that all mining companies have not played the game. It would appear that in the past, when certain companies have been wound up, foreign companies have had a substantial interest in the local companies by the granting of loans, and as a result, during the winding up of the companies concerned, the foreign companies have had an advantage over other creditors. That may have been brought about because of inside knowledge, but the proposal in the Bill will overcome any advantage that foreign companies might gain by granting substantial loans, and they will be forced to have their claims deferred until local creditors, at least, are satisfied. In that way, local shareholders will be protected.

There is a proposal in the measure which, to my way of thinking, could be amended further to tighten up a section in the principal Act which sets out that no liquidator shall hold moneys for a period longer than six months without paying them into a trust fund at the registrar's office. The Minister desires to extend that term to enable liquidators to pay out any claims that might be made. However, I suggest that instead of having an unlimited period in which to pay in this money, a period of 18 months or two years might be inserted. This would enable the liquidator to meet all requirements and there would still be some measure of control.

Another provision in the Bill sets out that investment companies shall not invest in proprietary or private companies, or words to that effect. It does not use the words "private or proprietary companies" but, in effect, that is what the amendment means. I think that is desirable because the companies I have mentioned are not required to supply their balance sheets to anybody outside the private or proprietary company and therefore there will be very little check on the activities or the business carried on internally in those companies. Accordingly I think it is desirable that investment companies be discouraged from investing in companies which are proprietary or of a private nature. That is all I desire to say in regard to the general aspects of the proposed amendment.

As I have said before when this Bill goes through the Committee stage the Minister for Justice, or the Treasurer, could probably give hurried consideration to the question of whether it is desirable to have

prospectuses issued from time to time containing matter printed with type of not less than eight point face. We know when a company is floated, apart from publishing a prospectus in the paper, the company is obliged to place the full prospectus in the registrar's hands. It could be that in the provisions of the prospectus the promoters could show, in a favourable light or in big print, the very desirable features of the flotation of the company, but when it comes to the other features, which they are obliged to show and which may not be quite so favourable, they could reduce the printed matter to three, four or five-point type.

Therefore to deal with that aspect would be to the advantage of elderly people and those who did not have good eyesight to enable them to discern the weakness in the prospectus and accordingly might be encouraged to invest their money where otherwise they would not rush in. That, of course, could apply to mining companies or to industrial or commercial companies that were being promoted in this State. Whether insistance by this State that not less than eight-point face type should appear in the prospectus when printed will have any great influence in restraining Eastern States investors from investing in this State, I do not know.

I do think, however, that it is not desirable to encourage companies or any organisations to print in very small type any kind of document, whether it be a prospectus or a contract or any other matter relating to the businesses concerned. It has caused quite a lot of dissension in years gone by, and I remember a past Chief Secretary drawing attention to very serious defalcations that had taken place in consequence of companies and private concerns using very small type in the documents they had printed. Apart from those remarks, I have nothing further to add and I support the second reading of the Bill. If I think it desirable to do so in the Committee stage, I reserve the right to move to amend the clause to which I have referred.

Question put and passed.

Bill read a second time.

In Committee.

Mr. J. Hegney in the Chair; the Premier (for the Minister for Justice) in charge of the Bill.

Clause 1—agreed to.

Clause 2—Section 29 amended:

Mr. COURT: I move an amendment—

> That in line 2 of the proposed new Subsection (4a) the word "registrar" be struck out and the words "Attorney General" inserted in lieu.

In view of the fact that the question of exempting associations under the provisions of this section is vested in the Attorney General in the principal Act, these additional exemptions proposed by the amending measure should also be vested in the Attorney General. At the time when he is considering exemption of a club or association to bring it within the scope of this Act to obtain certain relief in respect of administrative and other matters, he will thoroughly examine the structure of the body concerned and at the same time consider the exemptions envisaged by this particular amendment. The main exemptions for consideration would be matters like the return of directors or of allotments, and I feel it is much better that the political head for the time being administering this Act should have the right to grant those exemptions.

The PREMIER: The Minister for Justice has assured me that he is in favour of the amendment and I have no objection to it.

Amendment put and passed; the clause, as amended, agreed to.

Clause 3—Section 47 amended:

Mr. COURT: I move an amendment—

> That at the end of the proposed new Subsection (1a) the following words be added: "provided however that the registrar may accept a prospectus printed in letters of less than eight point face measurement where he is satisfied that the type and size of letters are legible and satisfactory."

The provision as set out in the Bill could have the effect of causing considerable embarrassment without achieving the object intended. To say that the type shall be not less than eight point face is all right in principle, but when a prospectus for a large flotation is getting to the stage where it is about to be issued, those concerned are subject to great pressure. I speak from personal experience of this problem because I know it is a matter of rushing things through the printery and, of course, the prospectus is subject to the requirements of the Stock Exchange and of the Companies Act. If the flotation is interstate, there is the problem of several Stock Exchanges in different capital cities and several Companies Acts, because there is not a uniform Companies Act used throughout Australia.

I know of the difficulties as regards the statutory information in the prospectus being reproduced in very small type. In each case I have examined, reputable concerns have been involved and I have no doubt that the small type was used for economy in space. Some of these documents get very massive with the inclusion of many reports, and because of the very searching information required by the Companies Act. My amendment does not say that the type shall not be less than eight point face measurement, but it provides machinery whereby the registrar, if he is satisfied, can examine that particular prospectus.

Members will, I think, agree that the marginal notes on the Bill are in less than eight point face type and they are quite legible. They would only be illegible if bad type or a bad forme was used. Rather than make the position unduly difficult, my amendment would enable the registrar to introduce a little flexibility in special cases. I have discussed this matter with people who know something about the subject, and they all agree that, where practicable, a decent size of type should be used. I am certain the Stock Exchange would not object to that. I think we must provide for flexibility in an emergency.

The PREMIER: I am not able to see that any injustice or additional expense would be imposed on anybody by having to print a prospectus in the face measurement mentioned in the clause. If it could be shown that an injustice was likely to be imposed, or some great additional expense was likely because of what the clause contains, there might be some argument for giving the registrar a discretionary power. I cannot see sufficient justification for the amendment as it would cost about the same to set up in eight point as in a slightly smaller face measurement. The eight point is quite small enough. These documents are read by some people beyond the age where their eyesight is good and they should be considered. There would be no hardship in requiring the prospectus to be printed in the size proposed in the Bill.

Hon. A. V. R. ABBOTT: What the Premier has not appreciated is that a company's appeal for funds in this State might be a relatively small matter and therefore it would not be advisable to make the requirements of our Act out of conformity with those of the Eastern States. It could be a grave disadvantage if Western Australian investors were unable to see the prospectus. The provision in the Bill might prove to be a double-edged sword. We do not use type of eight point face measurement in the marginal notes in our Bills.

The Premier: But they are set apart from the clauses.

Hon. A. V. R. ABBOTT: That is so. So long as the type was legible, it should be sufficient. All that we should ensure is that the type used is of such a size that it may be easily read. I feel sure that, with such a restriction in our Act, some of the major companies would not send a prospectus to this State. Further consideration should be given to the clause.

Mr. JOHNSON: There has been a move to get uniform company law throughout Australia. A conference is to be held in Adelaide next year that will study this project, and I am led to believe that because Western Australia has the most recently consolidated Act, it will be used as the basis for discussion. If a standard is thus to be set, it would be advisable to have this provision in our Act. Some difficulty might be experienced during the first couple of years in certain cases, but the number would be few and not likely to be very important.

Type of eight point face measurement is fairly small; I understand that the marginal notes to our Bills are printed in four to five point type. I doubt whether a prospectus is often read in detail by investors, but it is essential that such a document should be quite legible, and printing in less than eight point type would be difficult to read. I understand that the notice paper of this Chamber is in 10 point type. We have to protect the people, not from the well-behaved majority, but from the badly-behaved minority and it is important that a minimum standard should be laid down in the Act.

Mr. COURT: The question of expense is not the factor that has prompted the amendment. The main concern is that of time. Try as one will, and work to the most carefully planned schedule as one may, there occur occasions before the issue of a prospectus when the time factor predominates. The registrar and the Stock Exchange authorities are searching in their investigations and may require a minor amendment to be made at the last moment, and the printer, without any intention of violating the Act, may set part of the document in type smaller than eight point face measurement.

Without my amendment, the registrar would have no alternative to rejecting such a prospectus, and if it were circulated, to ensure that a penalty was imposed. The registrar is a most exacting officer and would not be likely to accept a document in less than eight point type unless there was sound reason for so doing, and would not grant an exemption lightly. No official approach was made to the Stock Exchange to ensure that prospectuses issued should conform to the minimum-sized type. Had that been done, I think it would have co-operated, even without this legislation being brought down, to see that, except in special circumstances, only the correct type was used.

The member for Leederville referred to the steps taken by various accountancy institutes to bring about uniformity in company law throughout Australia, along the lines of the bankruptcy legislation, but I think it will be many years before that end is achieved. Such an Act, when passed, should allow a reasonable degree of flexibility to deal with special cases. I do not advocate the normal use of type smaller than eight point, but I desire some safeguard for the occasion when it is necessary.

The PREMIER: The Minister is not in favour of the amendment, but as I do not know whether he is familiar with all the

arguments put forward this evening, I am prepared to give him a further opportunity of considering the matter.

Progress reported.

BILL—ADOPTION OF CHILDREN ACT AMENDMENT (No. 2).

Second Reading.

Debate resumed from the 24th September.

HON. A. F. WATTS (Stirling) [9.3]: The principles contained in this measure were discussed with me by the secretary of the Child Welfare Department 10 or 12 months ago and therefore, as will be readily understood, the contents of the Bill can receive no opposition from me because it was quite clear to me then that both the provisions contained in it were desirable amendments to our legislation.

As the Minister has explained, the first provision seeks to enable satisfactory reciprocal arrangements to be entered into with the child welfare or equivalent departments in other parts of the British Commonwealth, while the second seeks to enable orders for adoption, which have been made outside of Western Australia, to become operative in this State.

The Child Welfare Department, as is well known, takes considerable interest in matters concerning the adoption of children and its resources and the advice of its officers are always readily available to those interested. The department wishes, wherever practicable, to facilitate the migration—where desired—to Western Australia of children from outside, and to make their residence here as agreeable and happy as is possible. The wider its powers are to enter into arrangements and take action such as is proposed by the Bill, the better—in the light of the care and attention given by officers of the department to these matters—will it be for the children concerned. I have pleasure in supporting the second reading.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Moir in the Chair; the Minister for Child Welfare in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Section 13B added:

Hon. A. V. R. ABBOTT: The object of the measure is to enable an adopted child from overseas to have its age registered here because during its lifetime it might require a birth certificate for any of many reasons. It is compulsory, in the ordinary course of events, to register a birth and I see no reason why the same principle should not be adopted here.

Hon. L. Thorn: Could you register a birth twice?

Hon. A. V. R. ABBOTT: It would be registered in England, for instance, under the original name and here under the new name. I think it should be made compulsory. The amendment I propose would be to strike out in line 12 of proposed new Section 13B the word "if," but perhaps the Premier would prefer to let the draftsman give the matter further consideration.

The Premier: I am open to be convinced.

Hon. A. V. R. ABBOTT: I move an amendment—

> That in line 12 of the proposed new Section 13B the word "if" be struck out.

It will also be necessary further to amend the clause so that after the word "case" in line 13 the word "shall" will be inserted and further down to alter the word "may" to "shall" and so on in order to make the action compulsory.

The MINISTER FOR CHILD WELFARE: I said I was open to conviction as to whether the adopting parent should have discretion in the matter of making an application to the Registrar General. The hon. member has not convinced me that the discretion provided in the clause should be abolished and that it should be mandatory for the adopting parent to make the application and obligatory upon the Registrar General to grant the application. If we were to agree to the amendment we would not only make it compulsory for the adopting parent to make an application to the Registrar General, but also we would make it compulsory respecting a person having knowledge of the facts of the case.

Hon. A. V. R. Abbott: That is so.

The MINISTER FOR CHILD WELFARE: There might be some argument for compulsion being placed on the adopting parent—I am not convinced about that yet—but I doubt if there would be a case for applying compulsion to any person having knowledge of the facts. I am prepared to have the point considered between now and the time the Bill reaches another place, and if those who have expert knowledge of this situation consider that an amendment on the lines suggested by the hon. member is advisable, I would be prepared to have action taken by the Minister handling the Bill in another place. The adopting parent might have a reason for not wanting the name of the child altered.

Hon. A. V. R. Abbott: It has to be altered. I think the original Act makes it compulsory.

The MINISTER FOR CHILD WELFARE: That does not appear to be so from this clause. However, I am not prepared to approve of the amendment at this stage. If the hon. member is prepared to withdraw it on the basis of the undertaking

I have given, the position could be considered more closely before the Bill reaches another place.

Hon. A. V. R. ABBOTT: I am quite prepared to withdraw my amendment as suggested by the Minister. I consider that the person who would suffer most from such a disclosure would be the child, who might be a fair age. Some adopting parents might be a little careless and would not go to the trouble of altering the child's name, or even consider it to be worth while. I am quite happy for the experts to consider this matter further and therefore I ask leave to withdraw my amendment.

Amendment, by leave, withdrawn.

Clause put and passed.

Title—agreed to.

Bill reported without amendment, and the report adopted.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Message.

Message from the Governor received and read recommending appropriation for the purposes of the Bill.

Second Reading.

THE MINISTER FOR LABOUR (Hon. W. Hegney—Mt. Hawthorn) [9.23] in moving the second reading said: In introducing this Bill I might say that the Message just read out sounded like magic to me because I have a vivid recollection of when, some two years ago, I was deputed by the then Leader of the Opposition to introduce an amending Bill to the Workers' Compensation Act, the smiling member for Claremont had the unpleasant task of ruling me out of order because I did not have a Message, and the measure was designed to impose a charge on the Crown. On this occasion, however, the Message is here and I take it that the Bill is properly before the House.

It is over 40 years since the first Workers' Compensation Act was introduced in Western Australia. That Act was a very modest one. It did not provide for any dependants' allowances. As a matter of fact, I know that one of the provisions of the Act was that where incapacity lasted for less than 14 days no compensation was payable in respect of the first three days. The hospital and medical expenses amounted to the magnificent sum of £1. It was not until 1924 that a rather appreciable advance was made.

On that occasion the then Labour Government was instrumental in increasing the medical and hospital allowances to the sum of £100, and, due to the increased cost of living and changes in the basic wage, there have been periodical amendments over the years until we find today it is necessary to make further appreciable changes in the provisions of the Act to bring the present allowances and compensation into line with modern standards. The member for Nedlands, a few moments ago, indicated that it was a pity there was no uniform legislation with respect to company law as there is in respect of the Bankruptcy Act.

From one point of view it is a pity that there is no uniformity with respect to workers' compensation. But where there are six States, it is obvious that at times one State will be in advance of others and perhaps later it will be found that that State is lagging behind as regards workers' compensation legislation. Whilst it would be highly desirable for a measure of uniformity, I think it would be most difficult to achieve any degree of uniformity among the six States at any given time regarding workers' compensation enactments.

Dealing with the measure before the House, I regard the provision increasing the maximum amount payable from £1,750 to £2,800 as eminently reasonable. In New South Wales there is no limit on the amount of compensation which an injured worker may receive. Only a few months ago the Victorian Government increased the figure from £1,750 to £2,800.

Whilst I have not the actual figures with me, suffice to say that in regard to the matter of accidents, every member has noticed the recent judgments issued by the Supreme Court, many of them being in respect of claims exceeding £4,000. As a matter of fact, a little while ago a claim was settled on the basis of £4,000 and certain special allowances. This concerned a person who had had his leg seriously injured. It is suggested that if the courts of this country award £3,000, £4,000 or £5,000 where permanent and total incapacity is suffered as a result of a motor accident, surely it is not extravagant or illogical that a similar amount should be payable where a worker is struck down in industry and is permanently and totally injured.

Hon. A. V. R. Abbott: The courts do not award it unless there is negligence.

The MINISTER FOR LABOUR: The interjection by the member for Mt. Lawley is hardly appropriate because in both cases the worker may be totally and completely incapacitated and his earning capacity is nil.

Hon. A. V. R. Abbott: What is done in one court is perhaps not done in another.

The MINISTER FOR LABOUR: The point I am making is that in both cases—

Hon. A. V. R. Abbott: You are right; there is a distinction.

The MINISTER FOR LABOUR: A distinction with very little difference.

Hon. A. V. R. Abbott: A big difference.

The MINISTER FOR LABOUR: Not a big difference from the viewpoint of the person injured.

Hon. A. F. Watts: That may be so.

The MINISTER FOR LABOUR: As to the aspect of negligence, I do not propose to debate that because we are dealing with workers' compensation. Here I might say that the sum of £2,800 does not equal the amounts awarded by the courts.

Hon. A. V. R. Abbott: He could still go to the court and get that amount.

The MINISTER FOR LABOUR: What I am suggesting is that the Bill provides for the maximum payment of £2,800 for permanent and total disability where it is at present £1,750. People may say in an offhand manner, "That is rather a substantial percentage increase." As a matter of fact, it is round about 60 per cent. But the provision is in the Bill and I feel that members on both sides of the House would appreciate that an amount of £2,800 for a worker who is totally and permanently disabled during the course of his employment is a fair and reasonable amount.

Hon. A. V. R. Abbott: Have you given any consideration to the impact of that proposal on industry?

The MINISTER FOR LABOUR: That is a very old cry. Suffice it to say that the £2,800 is in effect in Victoria, that there is no limit in New South Wales, that I am given to understand that the Queensland Government proposes to alter the present rate appreciably for weekly and lump-sum payments, and that the same will be done in Tasmania.

Hon. A. V. R. Abbott: I just asked whether any consideration had been given to the matter.

The MINISTER FOR LABOUR: In what way?

Hon. A. V. R. Abbott: As to the impact of that proposal on industry.

The MINISTER FOR LABOUR: I do not propose to discuss the question of premium rates, as such, but I believe it will be found that, with the present premiums, the impact would be very light if the amounts set out in the Bill were adopted.

The first amendment of any consequence has regard to the retrospective application of the measure. The Leader of the Country Party was the Minister in charge of a Bill five or six years ago that included a similar provision, but it was later deleted. The explanation is that where a worker is injured prior to the passing of this measure and is still on compensation after the implementing of this measure, he shall come under the provisions of the Act, both as to weekly and lump-sum payments. Where a worker, injured before the passing of the measure, is not on compensation at its passing or immediately afterwards but at a future time has a recurrence of the injury before the passing of the measure, he shall come under the provisions both as to weekly and lump-sum payments. Protection is provided for an insurer where a final settlement has been made, or where the board has determined the question of the lump-sum payment or where the payment has been made in full.

Hon. A. V. R. Abbott: Does that also apply in the other States?

The MINISTER FOR LABOUR: I am glad to have that interjection because the latest Act passed in Victoria provides for retrospection as to time and amounts.

Hon. A. V. R. Abbott: What about the other States?

The MINISTER FOR LABOUR: Sometimes one State forges ahead of another and then, in the course of a year or two, lags behind. Seeing that Western Australia is making such progress industrially and otherwise, we should approve of this gesture to the workers and put on the statute book something consistent with present day costs.

We propose to alter the limitation of the allowable earnings as set forth in the definition of a worker. The amount at present is £1,250 and the proposal is to increase it to £2,000. I may give two illustrations. Miners engaged in piecework or contract may be remunerated at a rate exceeding £1,250, and a strict interpretation of the law would prevent their receiving compensation. For shearers, the award rate is £6 11s. 3d. per 100. Incidentally, there was an advertisement in the newspaper today by an employer who was offering £10 per 100. However, a man might shear 160 sheep per day and, in the course of a season earn more than £1,250, and legally he would be prevented from receiving compensation if he were injured during his employment.

Let me now make brief reference to another proposal that has been considered in this Chamber quite a few times, namely, insurance cover for workers when travelling to and from their employment. A provision of this sort is in operation in Queensland, Tasmania, Victoria and New South Wales. In all those States, a worker who is injured while travelling by the nearest practicable route between his residence and place of employment, or vice versa, if injured during the journey, is entitled to receive compensation. If a lad is travelling from his place of employment to the technical school and back and is injured, he is entitled to compensation.

A brief study of that provision will convince members that there is nothing loose about it and that it is worthy of being given a trial in this State. I believe that the time has arrived when a worker should be compensated for any injury he may sustain while travelling to or from his place of employment. Years ago, an argument was raised—and it was worn thread-

bare—that if Bill Jones and Tom Brown decided on knocking off to visit the nearest hotel and one of them was hit over the head with a bottle, he should not be compensated for the injury. Provision is made in the Bill that would prevent a worker in such circumstances from receiving compensation.

Another provision which I know will receive the approval of the member for Mt. Lawley is for the deletion of permission for legal representation in proceedings before the board, unless both parties agree. The insurer or the employer might engage counsel, and the worker, who might have a family to support, might feel that he has to be similarly represented. Thus he has to incur heavy expense to have representation by a legal practitioner.

Hon. A. V. R. Abbott: Are you also dealing with agents?

The MINISTER FOR LABOUR: No.

Hon. A. V. R. Abbott: The agent is a professional representative.

The MINISTER FOR LABOUR: I said "legal practitioner".

Hon. A. V. R. Abbott: You will be permitting the professional advocate to appear.

The MINISTER FOR LABOUR: This is not a criticism of the legal fraternity; the proposal is made with the idea of sparing the worker possible heavy expense.

Hon. A. V. R. Abbott: What about the employer if he has an expert advocate against him, such as a union official?

The MINISTER FOR LABOUR: The Employers' Federation also has its professional advocates. The proposal in the Bill is that legal representation before the board may be permitted where both parties agree.

Another matter dealt with in the measure relates to employers who would seek to divide their insurance. Cases have arisen where an employer has insured some employees whose risks are comparatively light with one company, and other workers whose risks are comparatively high with another company. To give one illustration, an employer engaged in the firewood industry insured the firewood carters with one firm of insurers, and his firewood cutters, the premium rate for whom is higher, with another company. It is suggested in the Bill that an employer shall insure all his employees with one company and not divide his insurance.

Hon. A. V. R. Abbott: That is a sop to the State Insurance Office.

The MINISTER FOR LABOUR: No. I am surprised at the member for Mt. Lawley. Where dependants of workers live in other States or countries the present provision for payment has not worked with a great amount of satisfaction, as the ex-Attorney General may know. It is proposed to insert a provision which will enable the dependants of an injured or deceased worker to receive the dependant's allowance even though they live in other States or countries, provided that, in addition to supplying a sworn declaration, they also make available tangible evidence that they were wholly or partly dependent on the injured or deceased worker.

Hon. A. V. R. Abbott: Whether there is reciprocity or not.

The MINISTER FOR LABOUR: That is so. The section dealing with reciprocity will be repealed. It is proposed to include workers in the iron and steel industry with respect to silicosis and pneumoconiosis, and the necessary provision has been included in the Bill. I do not think any member will object to the inclusion of these workers.

There is provision for the determination of premiums in regard to the goldmining industry. The present arrangement is that the Premium Rates Committee makes the determination in connection with the premiums. I do not propose to explain the amendment at length. Suffice it to say that it provides for the determination of the premiums after an actuarial valuation, and for triennial valuations, at the request of the Chamber of Mines or the Minister administering the Act for the time being.

These points cover the general clauses of the Bill and I shall now briefly deal with the First and Second Schedules. It is proposed to increase the maximum payment for permanent and total incapacity from £1,750 to £2,800, and we propose to alter the amount payable at death from £1,500 to £2,400; and whereas the present provision is that the weekly payments made to an injured worker shall, if death results from the injury, be deducted from the lump sum total, we propose to remove that restriction so that no amount of weekly payments shall be deducted from the payments to the dependants of a worker if death results from injury.

Hon. A. V. R. Abbott: How does that compare with other States?

The MINISTER FOR LABOUR: It is practically on all fours with the latest Victorian Act.

Hon. A. V. R. Abbott: Would that be the only State where it applies?

The MINISTER FOR LABOUR: No. Speaking from memory, it also applies in New South Wales. Incidentally, New South Wales and Victoria are two of the standard States, and the other night I heard both the Premier and the member for Mt. Lawley, when debating the Entertainments Tax Act Amendment Bill, hold up the Vic-

torian measure, so I cannot be blamed if I hold up another Victorian measure this evening by way of comparison.

At present a worker without dependants receives a maximum of £8 a week, and a worker with dependants, £10 a week. These figures were arrived at when the basic wage was about £11. Even when South Australia provided for £8 and £11 the present Opposition would not agree to increase the amount from £10 to £11, but I do not bear any malice for that. Our proposition is that the injured worker who now receives 66⅔ per cent. of his average weekly earnings or £8, shall receive 80 per cent. of his average weekly earnings, and the maximum payment per week shall be his average weekly earnings.

Where the dependent wife, or the worker, is now entitled to 30s. a week we propose to increase the amount to £2, and the child allowance from 10s. to 15s. a week. At the present time, £50 is allowed, in addition to the lump sum payable at death, for each dependent child, and it is proposed to raise that amount to £75.

Hon. A. V. R. Abbott: Are you making a distinction between the married man and the single man in regard to the maximum amount?

The MINISTER FOR LABOUR: Yes. At the present time an injured worker receives 66⅔ per cent., or £8, whichever is the lesser. The proposal is to increase that percentage to 80 per cent.

Hon. A. V. R. Abbott: That applies to a single worker.

The MINISTER FOR LABOUR: Yes. In addition to the 80 per cent., a worker with dependants would be entitled to £2 per week for his dependent wife and 15s. a week for each dependent child, but the maximum payment per week must not exceed his average weekly earnings.

Hon. A. V. R. Abbott: That is the married man.

The MINISTER FOR LABOUR: Yes. There is also another clause which is worth a trial—a similar one is operating in Queensland. It provides that on and after the passing of the Act, compensation being paid to an injured worker shall fluctuate with any variations in the basic wage. If the basic wage continues to rise, workers on compensation will receive the benefit, but if it is reduced then they will be reduced proportionately in their weekly payments.

Hon. D. Brand: You think it should be given a trial?

The MINISTER FOR LABOUR: Yes. It applies now in Queensland. In addition, we propose to increase the daily allowance for workers travelling to receive hospital or medical attention. We suggest that the necessary expenses incurred by a worker in travelling from his home shall be increased from 13s. to £1 a day, or from £4 a week to £6 a week. This is in accordance with the increase in costs since the rates were fixed some time ago.

In 1933, when the basic wage was £3 8s. per week, the maximum payment to an injured worker was £600. The basic wage has risen nearly 400 per cent. since then and four times £600 odd is nearly £2,500 I therefore believe that a worker permanently and totally incapacitated in the course of his employment is entitled to further consideration. When the member for Stirling introduced his Bill in 1948, or when the Bill was drafted in April of that year, the basic wage was £5 15s. 9d. and today it is £12 6s. 6d., a rise of about 213 per cent. In those days the maximum compensation payable was £1,250 and so it will be seen that the total compensation now should be £2,600 or £2,800.

I indicated that where a worker had received weekly payments for a period prior to his death the Act provides that the amount of those weekly payments shall be deducted from the sum payable to his dependants, but we propose to alter that. Where there is a lump sum paid to the worker during his lifetime, as distinct from weekly payments, the amount of that lump sum payment would be deducted from the total payable to the dependent wife and children—

Hon. A. V. R. Abbott: If he accepts a lump sum payment, that is the end of it, under the existing Act.

The MINISTER FOR LABOUR: That is so, but we propose to alter that. Members may have knowledge of cases—as I have—of where a worker was injured and received weekly payments for a period and then agreed to forgo all further rights to compensation on payment of a lump sum, but where perhaps 12 months or two years later there was an aggravation of the injury, as a result of which the worker died—

Hon. A. V. R. Abbott: It would be hard to prove.

The MINISTER FOR LABOUR: In some cases it is easy for medical science to prove, and in those instances we say that justice will be done if the dependants of the worker receive the amount which he would have received had he remained alive until he had exhausted the total sum payable under the Act. When members have given the Bill the time and study it deserves, I think they will realise that there is ample justification for the provisions contained in it. I move—

> That the Bill be now read a second time.

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

House adjourned at 9.55 p.m.