

Legislative Council

Tuesday, 26th November, 1957.

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

ASSENT TO BILLS.

Message from the Governor received and read notifying assent to the following Bills:—

- 1, Fremantle Harbour Trust Act Amendment.
- 2, Church of England School Lands Act Amendment.
- 3, Bills of Sale Act Amendment and Revision.
- 4, Inspection of Machinery Act Amendment.

QUESTIONS.

EDUCATION.

(a) Completion of Classrooms, Esperance.

Hon. J. M. A. CUNNINGHAM asked the Chief Secretary:

As periodic shortage of materials and essential supplies for the new Esperance school are delaying the working force so much that the wasted time and money is becoming obvious to the interested public in Esperance, will he cause inquiries to be made to ascertain the reason and remove the cause of this delay?

The CHIEF SECRETARY replied:

The completion date for this contract is the 10th February, 1958. Temporary difficulties of the contractor in obtaining all necessary supplies have been overcome and he has guaranteed that the new classrooms will be ready for occupation at the beginning of the new school year.

(b) Commencement of New Classrooms, Wanneroo.

Hon. L. C. DIVER asked the Chief Secretary:

As the building of classrooms at Wanneroo new school site is on the Public Works Department list, will he advise the anticipated date of commencement of building operations?

The CHIEF SECRETARY replied:

Tenders will be invited in January. Construction should commence in February.

(c) Accommodation for Home Science Classes, Collie.

Hon. J. McI. THOMSON asked the Chief Secretary:

As, due to poor ventilation and limited natural light in the Friendly Society's Hall, Collie, at present being used as a school classroom, concern is felt by parents that the future health, eyesight and education of their children will suffer if continued use of this hall is intended by the Government—

(1) is it the intention of the Government to provide new classroom accommodation in Collie to relieve this situation?

(2) (a) When is it intended to commence building operations;

(b) when is it contemplated new classroom accommodation will be ready for occupation?

The CHIEF SECRETARY replied:

(1) and (2) The hall referred to is used for home science classes for the better accommodation of which it is planned to make provision by additions to the school when funds are available.

MAIN ROADS.*Resurfacing between Walebing and Lyon's Camp.*

Hon. A. R. JONES asked the Chief Secretary:

(1) Has the Main Roads Department a plan for widening and resurfacing the main road between Walebing and Lyon's Camp?

(2) If the answer to No. (1) is "Yes," when will the work be carried out?

(3) If the answer to No. (1) is "No," will steps be taken to ensure that the necessary work will be done as soon as possible as the narrow strip left after breaking away is dangerous?

The CHIEF SECRETARY replied:

(1) Yes.

(2) It is expected to commence the widening of the gravel pavement on the Walebing-Bindi Bindi section towards the end of the summer.

(3) Answered by No. (2).

SHEEP.*Rail Transport from Gnowangerup to Midland Junction.*

Hon. A. R. JONES asked the Minister for Railways:

Further to replies to questions asked by me on Wednesday, the 23rd October, will he answer the following questions in connection with sheep consigned from Gnowangerup to Kayanaby Pastoral Co. and Westwood Grazing Co.—

(1) Why was it necessary for the stock to remain at Narrogin from 11.50 p.m. on the 9th till departure at 5 a.m. on the 10th?

(2) Is he satisfied that this is the best service that the Railway Department could have given?

(3) Is he satisfied that such service is good enough to encourage business to the railways?

The MINISTER replied:

These consignments originated at the Gnowangerup sale and only short notice of their destination was received. This is a difficulty which the department has to face in connection with transits for livestock from sales. The consignments were not large enough to justify a special train and in consequence had to be combined at Narrogin with stock arriving from the Kondinin branch at 1.30 a.m. and with other traffic.

The delay at Narrogin left something to be desired, but the arrangements made were the best possible in the short time available, consistent with reasonably economical working.

BILL—LOCAL GOVERNMENT.*Conference Managers' Report—Bill Dropped.*

The CHIEF SECRETARY: I have to report that the managers met in conference on the Bill and failed to reach agreement. I move—

That the report be adopted.

Question put and passed.

Bill dropped.

MOTION—TRAFFIC ACT.*To Disallow Removal of Excess Load Subregulation.*

HON. R. C. MATTISKE (Metropolitan) [4.38]: I move—

That subregulation (2b) of Regulation No. 170 made under the Traffic Act, 1919-1956, as published in the "Government Gazette" on the 5th November, 1957, and laid on the Table of the House on the 14th November, 1957, be and is hereby disallowed.

The principal reasons for moving for the disallowance of this regulation are, firstly, that in the case of perishable goods the regulation is quite impracticable, as it is also in regard to goods under bond, because they cannot be unloaded at the time and the spot when they are first noticed by the inspector. We have many instances of perishable goods being carried in bulk; and as they are perishable, it is imperative that they be conveyed to their destination with the absolute minimum loss of time.

Milk is an outstanding example of this. The milk tankers that bring supplies to the city from the South-West areas have a limited time in which to deliver their cargoes to the depots in the metropolitan area. It may be stated that milk tankers have a limited volume and that their total capacity is within the allowable weight permitted when they were licensed. However, all milk is not carried in tankers; and it is necessary, because of an arrangement between the milk carters and the Milk Board, that the whole of the milk supplied from day to day be transported within a specified time.

It may then be said that if a truck conveying an excessive load of milk in cans were stopped by an inspector, it would be possible for that milk haulier to off-load a certain number of milk cans with a view to having them dispatched to the city by other means. However, this is not always practicable, and it might result in delays which would detrimentally affect the quality of the milk and also produce quite a number of other disabilities so far as the milk carter is concerned.

In the case of bonded stock, such stock would cover liquor supplies, tobacco supplies, and any other items or commodities that are transported from time to time

and which are under a customs bond. It is necessary that these goods should be delivered absolutely intact at the point of destination. If they are not, the carrier is breaking his bond and he can be liable for a considerable amount of money. In addition, he is not only responsible to the owner, but also to the Customs Department for failure to deliver intact the whole of the load with which he initially started.

The carrier of goods is responsible to the owner for their safe custody. Therefore, it is quite impracticable to suggest that he unload portion of his cargo and hope that it will reach its destination safely by other means. Further, if he is a common carrier, he is also an insurer of the goods and is responsible entirely for them. There is no need for me to labour this question. I consider that the regulation, as it stands, places too much power in the hands of an inspector, and it might happen that a traffic inspector of a local authority could enforce the law to the letter and cause very serious losses far beyond what might be a penalty if other means were adopted.

For that reason I believe that the regulation as gazetted is quite impracticable and far too severe. The desired result might be achieved equally well by noting the breach at the time, issuing a summons, and imposing the ultimate fine. I therefore hope the House will support me in passing this motion.

On motion by Hon. F. R. H. Lavery, debate adjourned.

BILL—EAST CAREY PARK LAND VESTING.

Received from the Assembly and read a first time.

SCHOOL BUS CONTRACTS SELECT COMMITTEE.

Report Presented.

Hon. J. McL. Thomson brought up the report of the select committee, together with a typewritten copy of the evidence and correspondence referred to in the report.

Ordered: That the report be printed.

BILL—STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [4.47] in moving the second reading said: Bills similar to this, which mainly seek to enable the State Government Insurance Office to engage in all types of insurance business, apart from life assurance, have been presented in this House on four previous occasions. Consequently, members will be familiar with the contents of this Bill, except for one

additional provision which has been added this year, and which I shall deal with at a later stage in this speech.

I think I am correct in saying that in no other House in the British Commonwealth of Nations could such a position have arisen. On five consecutive occasions the Lower House has passed this measure; and yet, in the last four sessions, this House has seen fit to reject the legislation. I feel it is time members gave serious thought to their actions and reconsidered this matter in all its aspects and enabled the Government to place this measure on the statute book.

I do not intend dealing in any detail with the provisions of the Bill—which detail has been placed before the House on prior occasions—as I think these matters have been debated in full; and, where criticism has been made, my Government has endeavoured to meet that criticism by amending any clauses of the Bill which did not find favour with members on the other side of the House. I think I am correct in saying that the position of members opposite is that if the Bill is to be passed, its contents are as satisfactory as they can be, placing, as they do, the State Government Insurance Office on an equal competitive basis with other insurers.

One of the criticisms made has been that the State Government Insurance Office would be unable to meet a major claim without calling upon the assistance of the State Treasury. This has been previously answered, but I would again like to comment on it.

As I have mentioned in a previous speech, the accounts of the State Government Insurance Office are subject to an annual audit by the Auditor General, and it would be one of his duties to mention, in his annual report, if he considered that the affairs of the office were run in such a way as to place the State funds in jeopardy. These accounts are placed before members every year and on no occasion has the Auditor General seen fit to comment in any way upon the inadequacy of the reserves or the reinsurance arrangements made by the office.

One can only assume, in the absence of this criticism, that he is satisfied that the office is quite solvent and in a position to meet any catastrophic loss that may occur. I think it is well known that all insurance companies reinsure a large or smaller part of the insurance business they do, the proportion varying with the extent of the reserves available to the office. The State Government Insurance Office followed the orthodox procedure and, when it commenced, effected reinsurance of the bulk of its business.

Gradually, as the funds have grown, the amount of insurance has been somewhat reduced, enabling the office to retain a larger proportion of the risks which it has

underwritten. But the position is very carefully watched to ensure that any call that might be made upon the office is well within its capacity to pay from the funds available to it and without recourse to Consolidated Revenue.

The State Government Insurance Office has been operating since 1926 and has built up very substantial reserves, particulars of which I shall give later on; at no time has it called upon State revenue for assistance in any way whatever. The position is really in reverse, for the State office has contributed very substantially to Consolidated Revenue during the years it has operated, and no doubt will continue to do so in the future. This might be an opportune time for me to give some figures to support my statements.

Since the inception of the office, Consolidated Revenue has benefited to the extent of £830,448.

Investments made include:—

	£
Commonwealth Stock	809,094
Loans to Local Authorities	42,366
Loans to private industry	99,074
Semi-Government Loans	941,066

Investments in land and buildings are:—
£

Buildings	517,843
Land	48,463

Payment made to the Treasury for the financial year 1956-57 in respect of the equivalent of taxation on trading surpluses amounted to £52,448.

New motor-vehicle comprehensive policies issued monthly averaged 400, representing a net increase, after deleting lapses, of 300. During the last 12 months, the gross number of new policies issued was 4,216, representing a net increase, after deducting lapses, of 2,924.

Figures concerning the Local Authorities Pool are that the aggregate rebates made to authorities, including the year 1956-57, which have not yet been paid, are—

	£
Pool No. 1	26,452
Pool No. 2 (Bushfire)	849
	<hr/>
	£27,301

The number of local authorities in the pool is now 133 out of a total of 147 in the State.

It will be seen from these figures that the office is now tending to invest more and more of its funds in local authority loans, advances to private industry in this State and semi-Government loans, all of which are wholly within this State; as distinct from the policy of previous years when the bulk of the money was invested in Commonwealth inscribed stock which, of course, does assist the State, but also is available for use in other States of the Commonwealth.

The Government is seeking every means possible to raise more revenue in order to endeavour to balance the Budget; and if this measure is passed, I feel sure that the State Government Insurance Office will be thereby enabled to make a very substantial contribution to the State revenue, not only by direct payments but also by indirect methods.

It is usual when this Bill is before the House for considerable comment to be made upon the Local Government Authorities Insurance Pool. Some members seem to have a misconception of the way in which this functions; and, although I have endeavoured to explain it previously, it may not be amiss if I make some further remarks on this pool.

As I have stated, 133 out of a total of 147 local authorities in the State are members of the pool. All the insurance business of those local authorities is placed with the pool, the rates charged are below tariff rates by as much as 20 per cent. in some cases, and the insurance is dealt with in the same manner as the ordinary insurance business of the office; that is to say, the office retains the amount of the risk which it considers it can safely handle and reinsures the balance. This ensures that if a large claim is made upon the pool, the bulk of that claim falls upon the reinsuring underwriters and not upon the members of the pool. There is no question that the risks entrusted to the State Government Insurance Office by the local authorities are dealt with in an orthodox manner and the pool is not by any stretch of the imagination a self-insurance scheme, as some members are so apt to describe it.

The pool is conducted on a yearly basis; and at the end of the year, if a surplus exists, a proportion is placed to reserve and the balance repaid to the participating local authorities. If, on the other hand, a loss occurs in any one year, that is charged to the funds for that year subscribed by the pool members; and if there is a deficit, that is borne by the State Government Insurance Office and is not carried forward to the next year. Local authorities thus at the worst obtain their insurance for the year at a reduced premium; at the best they obtain also a substantial bonus. The popularity of the pool is shown by the fact that there are now only 14 local authorities in the State who are not members.

Turning now to the new provision in the Bill which has resulted from overtures made by the Farmers' Union and others on numerous occasions to the Treasurer on the occasion of the payment of probate on farmers' and graziers' estates, in many cases the assets were large, but the cash available for payment of probate was very small. This resulted in frequent requests for some relief in regard to payment, usually a request for the amount to be

spread over a period and paid by instalments. This was not desirable from an administrative point of view and an alternative was sought.

The proposals in the Bill are the result of this effort to overcome the difficulty. It is provided that a farmer or pastoralist may make a proposal to the State Government Insurance Office for payment of an amount which he estimates will be his probate liability for estate duty on his death. The policy, when issued, is assigned to the Treasurer for that purpose.

Hon. A. F. Griffith: Wouldn't that tie up his assets?

The CHIEF SECRETARY: I do not think so. When death occurs the Treasurer takes from the policy all the proceeds, if so much is necessary to provide for the payment of probate; or if the amount is in excess of the probate calculation, takes the amount he needs and pays the balance to the personal representatives of the assured. If this Bill becomes law, this will provide a unique opportunity for the issue of such a policy as, although a farmer or grazier may take out a life assurance policy with one of the companies for the purpose of paying probate dues on his estate when he dies, there is no provision for such a policy to be assigned to the Treasurer, and the Treasurer would not be able to accept the assignment of such a policy.

On page 5 of the Bill, Subclause (4) (b) deals with the authority of the Treasurer to accept assignment of the policy; to receive it; to apply the proceeds for the payment of probate duty; and to pay any balance to the personal representative of the assured. Authority is also given to the Treasurer to reassign to the assignor any policy at any time.

The object of this, I understand, is to provide for the change in the circumstances of a person who may have a large estate at the time when he takes out his policy but who subsequently disposes of all or a large part of such estate and consequently has no need for a large probate policy.

Some further points which illustrate how the probate policy would prove of great benefit are:—

- (a) It obviates the necessity of keeping a large amount of liquid or semi-liquid assets on hand, thereby removing any restriction on the investment of capital.
- (b) It places a considerable sum of money at once in the hands of the executor with which to meet without penalty the necessary expenses incidental to the settlement of the estate.
- (c) It relieves the executor of the necessity of raising cash by the forced sale of assets, thereby enabling him to await a favourable market.
- (d) It simplifies the administration of the estate, thereby reducing the legal and other expenses.
- (e) It hastens the settlement and distribution of the estate.
- (f) It imposes no undue burden on the beneficiaries, all charges being met by moderate annual payments throughout assured person's life.
- (g) It keeps the estate intact, so that each beneficiary may receive the precise sum intended by the testator.
- (h) It enables the assets of the estate to be transferred, by providing funds for the payment of the tax which must be paid before the transfer is allowed.

Hon. A. F. Griffith: Is it any cheaper than the companies' rates?

The CHIEF SECRETARY: The hon. member need not worry about that phase of this Bill. If the other companies provided a similar cover—which they do not—it is the individual who would have to make a selection. People would be quite free to enter into the scheme proposed in this Bill if they so desired. At the moment they cannot do so, and that is why this Bill has been introduced. It will give them a freedom of choice to take out such a policy. Up till now the Legislative Council has refused to give people that freedom of choice. Notwithstanding that we have heard so much in this Chamber about people having a freedom of choice, it has religiously refused to give the State Insurance Office the legal power to take on certain classes of insurance.

Hon. F. J. S. Wise: I don't think "religiously" is the word.

The CHIEF SECRETARY: I did not quite catch the interjection, but I am sure it would have fitted in all right if I had done so. In other years when I have introduced a similar Bill I have done so on a very large scale, going into all the ramifications of insurance very completely. This time I have not done that, because members do not need me to tell them what I have told them in the past. But, as with certain other legislation, I can give a promise that a Bill similar to this will be brought before this Chamber every year until such time as we succeed in having it placed on the statute book.

In their opposition to the measure, I would like members to tell me why they deny to their own insurance office the right—they will not be giving it a monopoly but just a right—to allow that office to do business with the people of this State. In this Chamber we hear quite a lot about freedom of action in this, that and the other direction. Yet, in the next breath, members deny people the right to insure with their own office.

The **PRESIDENT**: Order! The hon. member must not cast a reflection on the vote of this Chamber.

The **CHIEF SECRETARY**: I did not know that I was casting any reflection. I had no intention of doing so. I was dealing with hard-boiled facts.

Hon. G. C. MacKinnon: The hard-boiled fact here is that you don't leave much freedom to anybody.

The **CHIEF SECRETARY**: The hard-boiled fact is that the people of this State are not permitted to insure with the insurance company they own. Heavens above, if I came here with a Bill that refused the right of a shareholder of the A.M.P. to insure with that company, I would be kicked to death; and members would be entitled to treat me in that manner! Yet when we request that shareholders in the State Insurance Office be given the right to insure with that office, that right is refused. There is no monopoly about it.

At the same time some members would allow any other insurance company to come from any other part of the world and set up business here, and would allow people to insure with that company. If any member can satisfy me or the public on that point, I would be very happy to listen to him. But he would have a pretty hard job to convince me that that is right. I do not want to go into all the ramifications of this business, but I would ask members whether they would have had insurance for school children in this State if it had not been for the State office. Of course not! This State owes quite a lot to its insurance office. It was that office which came to the aid of the mining industry.

For many years the State Insurance Office functioned as an illegal body because this House would not give it the legal right to do business. But the Government had to carry on in spite of the fact that it was doing so illegally, until it was ultimately given authority to do so.

Hon. G. Bennetts: The silicotic miners would have been in a bad way but for it.

The **CHIEF SECRETARY**: The industry and the miners would have been in a bad way. The State office owed its birth to that circumstance. I remember the whole history of it. Since it has been in existence, the State office has done many good turns to the people of this State. It established insurance for school children and a pool for local authorities, which gave them a cheap rate of insurance. Now it is desired to introduce a new line of business which would save farmers a good deal. Members of the farming community know the difficulty in which relatives of farmers are placed in trying to raise finance to pay probate duty. If this Bill is passed and registration is granted, the State office is prepared to provide insurance along those lines.

Hon. A. F. Griffith: How would it be a greater saving if under present conditions they insured with another company?

The **CHIEF SECRETARY**: I will leave that to the farmers to decide.

Hon. A. F. Griffith: You said it would be cheaper.

The **PRESIDENT**: Order please!

The **CHIEF SECRETARY**: We are introducing a new system. I said earlier that I did not know what the prices would be, but that I was not worried about that. If the State office rates were not cheaper, and if its system was not better than anything the farmers had been able to obtain in the past, they would not undertake the business with the State office.

Hon. A. F. Griffith: You said it would be cheaper, and I asked why.

The **CHIEF SECRETARY**: It would be cheaper from the point of view of the farmer. Many people have been in the position of having to sacrifice many of their assets because there has been no cover of this kind. Members know that what I am saying is correct. I know of one person in this State—he is not a farmer—who had to sacrifice the whole estate because one of the beneficiaries required his share and there was not the cash in it. So it was necessary to realise on the whole estate for a much cheaper price than would ordinarily have been secured. But the existence of a cover of this description would have prevented the distribution of the estate because the duties could have been paid and the demands of the beneficiary met. But in the circumstances, the estate had to be realised on; and that case could be trebled.

Several members interjected.

The **CHIEF SECRETARY**: Members can tell me their objections when they speak to the debate. We are giving the House an opportunity to say "yea" or "nay" to the proposal that the people's insurance office shall have the right to do business with the people. Now refuse that! I move—

That the Bill be now read a second time.

On motion by Hon. A. F. Griffith, debate adjourned.

BILL—MATRIMONIAL CAUSES AND PERSONAL STATUS CODE AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [5.9] in moving the second reading said: This Bill is necessary because of a recent judgment of the High

Court of Australia in a divorce case—*Riebe v. Riebe*. The Divorce Court in this State refused the husband's application for divorce and an appeal was lodged with the Full Court of Western Australia, which reversed the decision of the single judge, and granted the divorce.

As a result, the wife appealed to the High Court of Australia, which reversed the decision of the Full Court and restored the judgment of the single judge. In the course of its judgment the High Court held that the Full Court of Western Australia had no jurisdiction to hear an appeal from a judge who refused to make an order for dissolution of marriage. Consequently, the Chief Justice requested that remedial legislation be introduced.

The need for the amendment arises from the fact that when the Matrimonial Causes and Personal Status Code was introduced in 1948 all provisions of the Supreme Court Act dealing with matrimonial causes and appeals were repealed, and the matrimonial code then became the sole source of all original and appellate jurisdiction in matrimonial cases.

Part V of the code deals with appeals, and Section 51 Subsection (1) commences as follows:—

Every order for dissolution of marriage or nullity of marriage or judicial separation or any order may be appealed against

The High Court has pointed out that a right of appeal is given only for an order for dissolution of marriage, etc., but no right is given in the case of a refusal of an order for dissolution of marriage.

The Full Court has dealt with a number of appeals from the refusal of an order for dissolution of marriage, and it now appears that such appeals were without jurisdiction. It is essential that those orders be validated because of the great personal inconvenience and embarrassment which may be caused to the parties who have acted in reliance on the validity of the Full Court orders.

Under the amendment, every order made by a judge, which would include an order made by a judge dismissing any application or action, in the exercise of jurisdiction under the matrimonial code, including orders made in interlocutory, intervention and ancillary proceedings, may be appealed against as provided in the new subsection.

The relevant clause has the effect of deeming that the Full Court had jurisdiction to hear and determine any appeal and that any judgment or order made by it is valid and effectual. Further, at the time of the Bill coming into operation, notice of appeal may already have been given to the Full Court, and appeals may in fact be pending, although the Full Court has no jurisdiction to hear them.

Another amendment will therefore ensure that those notices of appeal are valid, and that the Full Court will have jurisdiction to hear those appeals, notwithstanding that at the time the order appealed from was made, or when the notice of appeal was given, the Full Court did not have jurisdiction.

Still another clause will ensure that all proceedings, matters, orders, acts and things taken or done in reliance upon any judgment or order of the Full Court which, but for the amendment, would have been invalid, are now deemed to be valid and effectual.

It will make sure that all persons who considered themselves divorced by virtue of a previous Full Court order are, in fact, divorced; and that all subsequent marriages as a result of those divorces are validated, and all maintenance orders, etc., made in reliance on the purported validity of the Full Court orders are valid and effectual.

Another clause ensures that the retrospective validity given to Full Court orders by the Bill does not affect the rights of the parties in the particular case of *Riebe v. Riebe*, in which the point was taken that the Full Court had no jurisdiction to hear the appeal, and which point was upheld by the High Court of Australia. It is considered proper that nothing in the Bill should affect those rights. I move—

That the Bill be now read a second time.

On motion by Hon. E. M. Heenan, debate adjourned.

BILL—METROPOLITAN (PERTH) PASSENGER TRANSPORT TRUST.

Second Reading.

Debate resumed from the 22nd November.

HON. R. C. MATTISKE (Metropolitan) [5.13]: I am not going to speak at length on this Bill, because Mr. Simpson gave the House all the factual data required, and those speakers who dealt with the subject on Friday last covered it quite thoroughly. However, there are one or two points to which I would refer.

The first is that although we recently had the benefit of a report from a joint select committee of the two Houses, I venture to say, with all due respect to those gentlemen, that, with the possible exception of three, they were hardly qualified to investigate a matter of this magnitude.

Point of Order.

Hon. F. R. H. Lavery: On a point of order, Mr. President, members of that select committee were nominated by this House, and I think the imputation of the hon. member is completely out of order.

The President: Mr. Mattiske may proceed.

Hon. Sir Charles Latham: I am going to ask that Mr. Mattiske's remark be withdrawn. Surely our qualifications are as good as those of any other members! The hon. member said we were not qualified. He said that, with the exception of three, that was so, but the remark could apply to any of us.

The President: Would Mr. Mattiske please withdraw?

Hon. R. C. Mattiske: I withdraw if members present who were on the committee feel that I was casting any reflection on them.

Hon. F. R. H. Lavery: You certainly were!

Hon. R. C. Mattiske: The point I was making was that they did not have the expert knowledge of traffic control that was necessary in the matter.

Hon. Sir Charles Latham: You are only making it worse by saying that.

Hon. F. R. H. Lavery: Of course he is!

The President: I think the hon. member had better withdraw.

Hon. R. C. Mattiske: I withdraw.

Debate resumed.

Hon. R. C. MATTISKE: The present set-up is not satisfactory; there is no denying that. There is overlapping of services; and that of itself requires some very expert attention by an individual who could advise as to a way of overcoming the difficulty. Further, because of the peculiar geographical set-up of the metropolitan area of this State, we have two large areas where considerable transport is required, and a very narrow bottleneck in the city which impedes the flow of traffic. There is no denying that a considerable bottleneck is caused, and the question of through-routing of traffic is very important, and requires close attention.

I realise also that the movement of our traffic is not as efficient as it might be. Ours is a young State and a considerable expenditure will be necessary on our roads to bring them up to a first-class condition to enable a quick handling of traffic. I admit that that aspect of the problem is one which needs a good deal of investigation, so that we can move our traffic much quicker and more efficiently, and thus enable our bus services to run more to their scheduled timetables.

I have heard many instances of where people will not use the public transport because it cannot be relied upon to run to schedule. For that reason alone quite a number of people have, in recent years, been using private transport more and more. But there is a limit to that, and

one of the controlling factors is the availability of parking in or near the city area. Therefore I believe that the present set-up warrants some very close attention.

Another aspect that impresses me considerably is that although nine operators last year made a profit of £94,901, there were still two operators who made a loss of £8,035. Although in any business there is the efficient and the inefficient operator, I think there is such a disparity in the figures of these successful and unsuccessful bus companies that there must be some very strong reasons why those two companies are showing such losses.

Hon. F. R. H. Lavery: To which must be added the 1s. a gallon tax on diesel fuel.

Hon. R. C. MATTISKE: I was going to mention that there are other matters also which require close attention. The one mentioned by Mr. Lavery is a very real problem. The recent impost of 1s. a gallon on diesel fuels must have been a very serious blow to the bus companies.

Hon. L. A. Logan: With the increased licence fees.

Hon. R. C. MATTISKE: Yes. The Minister did not reduce their licences to offset some of the burden placed on operators.

Hon. L. A. Logan: There is a Bill before the House dealing with that aspect.

Hon. R. C. MATTISKE: There are other costs with which the operating bus companies are saddled, such as the Transport Board turnover tax. The Government has given assistance in this regard in that it has reduced the rates from 6 per cent. to 4 per cent.

Hon. F. R. H. Lavery: And down to one-half per cent. in some cases.

Hon. R. C. MATTISKE: Nevertheless these companies still have to pay the 4 per cent., and I suggest that that point is well worthy of consideration when some endeavour is made to assist them. In addition, there is the duty on the import of bus chassis; sales tax; and a host of other comparatively minor matters, which, in the interests of the transport problem as a whole, must receive urgent consideration.

It is all very well for us to say that these costs can be absorbed by the operators and passed on; but it is the travelling public which has to foot the costs in the long run. I believe that it behoves the Governments, Commonwealth and State, to assist in making sure that bus operating costs are kept down to the absolute minimum.

I do not think that the trust is the complete answer to the problem; although if, after a thorough investigation by an expert, there was a recommendation that that is the best course to adopt, we would at least have the knowledge that the matter

had been given thorough investigation, and we would have a very comprehensive report on which to base our judgment.

There is also the question of finance—the cost of taking over the existing services. One reliable witness stated that it would be approximately £5,000,000. That is quite a considerable figure. Also the anticipated losses must be taken into account; these have been estimated to be in the vicinity of £500,000 per annum.

Hon. F. R. H. Lavery: Where did you get the figure of £5,000,000?

Hon. R. C. MATTISKE: Mr. Napier estimated that figure.

Hon. E. M. Davies: Did you look at the Treasury Department's figures?

Hon. R. C. MATTISKE: The losses are estimated at £500,000 per annum; and that, coupled with the other losses which we are already suffering on the railways and the trams, will be a colossal burden on the people of the State.

The Minister for Railways: The trams will be included in the trust.

Hon. R. C. MATTISKE: That is so. But it is a colossal burden; and surely there must be some other way out of the difficulty. At present the private operators collectively—and there are 11 of them—are showing an overall profit of £86,000 annually. It would be better to give them encouragement to continue, even if it meant a loss of revenue to the State and Federal Governments owing to a loss on the turnover tax and other imposts, than for the State to take over the services and suffer losses in the running of them.

Service is the keynote of success. With private bus companies, the operators whose money is involved take a direct personal interest in the conduct of their services. With a set-up of that nature, we have the best possible chance of running services efficiently. I think that many operators may have been placed in a very invidious position during recent months. I venture to say that many of them were under a misapprehension when it was first suggested that their services be taken over. I think some of them thought this might be a good opportunity to sell their businesses at a very high figure as going concerns. But now, after some months have passed, and because of later developments, many of them may possibly be of a different opinion.

In view of all these facts, I feel that the matter is so important, and so close to the taxpayers of this State, that it does not warrant any speedy action; but it warrants thorough investigation. For that reason I intend to vote against the second reading of the Bill in the hope that the Government will see fit to appoint an expert in transport matters to investigate the whole question thoroughly. He could let us have a comprehensive report next year, and in that way we might be able to tackle the

problem on a different basis from that anticipated at the moment. I hope that, by doing that, we will have efficient services, running without the huge losses envisaged at present.

Hon. G. Bennetts: Who would be the expert?

HON. J. D. TEAHAN (North-East) [5.25]: I am very interested in this Bill, and I hope it will have a successful passage through this Chamber. For many years we had a transport system in Kalgoolie and Boulder run by private enterprise. After some years of operation, private enterprise found that it was not possible to make a profit—in fact its losses were greater than its profits—and after the close of the second world war, the proprietors of the transport company were looking for someone to take it over.

It was offered to private enterprise which, after thoroughly investigating the matter, was not over-interested. I think it was also offered to the Government on more than one occasion; but the Government was not anxious to take it over either. As a result, the people in the mining industry, who were anxious that some service be provided, thought of the idea of a trust. This question was examined closely for many months, and a vote was taken from the 30 members of the local governing authorities in the district who were interested. A majority of those 30 members decided that a trust should operate the transport service.

I was a member of the trust, and was the acting chairman for a while. We had our problems, because we took over a derelict service. A number of the trams had been run into the ground, and we had trouble in finding new vehicles. But we did manage to get them; and despite the relatively small population, and despite opposition from a community which owns more vehicles per head than any other community in the State, a bus service was established and operated successfully.

Hon. C. H. Simpson: Is it true that that trust received help from the Government in regard to its motor-vehicles?

Hon. J. D. TEAHAN: Furthermore, in its early years the trust had to pay the same rates as private operators, such as licence fees and so on. There was also an undertaking in the agreement that if any profits were made, the three local authorities concerned would receive dividends—and they did receive them.

I will admit that as the years went by, and a greater number of private vehicles were placed on the roads, and because people were combining and travelling to work in private vehicles, things became more difficult; but the problems of that trust are not as bad as those of some of the private operators in other

places. It has given an excellent service to people on the Goldfields, and has the same problems, although on a smaller scale, as the metropolitan operators.

There are two peak periods, when everybody wants to be moved; and the in-between periods, when very few people are travelling. In order to cope with the peak periods the trust must have a fleet of buses, and that fleet stands idle during the in-between periods. It also runs buses for picnic trips, and it has had buses travelling to the metropolitan area for that purpose. I think the secret of the trust's success is that it has been free from outside control, and even free from the municipal control of the two local government bodies.

We have listened to the speeches made by the Minister for Transport when speaking to this debate in another place. He has said that this trust will be free from political control; and this, I think, will be the key to its success. The Minister further pointed out that the management of the trust would be hand-picked and the best that could be obtained. On the Goldfields we were singularly fortunate in that the management of our trust was also hand-picked; and the service was controlled by an excellent type of person with an excellent staff.

If I can take the Goldfields trust as a guide—and I know there are differences to be contended with by way of population and size, etc.—then I am certain that the trust that is envisaged in the metropolitan area will be a success. I pin my faith to the fact that it will be free from any interference and that only the best people will be chosen to manage the service. The trust will commence its operations with a great advantage over the private operators, because it will not be running overlapping services; with proper management they could all be co-ordinated to ensure the least possible loss.

I repeat that with the experience I have had with the trust on the Goldfields, and with the information already given to us about the trust proposed in this Bill, I feel sure that it will operate with great success. For those reasons I support the second reading of the Bill.

HON. G. C. MacKINNON (South-West) [5.33]: I do not know at what stage in Australia's history it came to be an accepted principle that rail services could not be operated at anything but a loss; but at this stage of the history of our State it is apparent that we have accepted the fact that road transport—so far as the metropolitan area is concerned anyway—must in future run at a loss.

For a great many years a number of methods have been used to subsidise the railways. One of these methods has been the taxation of road-passenger transport with a view to making the railways more attractive, or to keeping road transport out

of the field as much as possible. It would appear that this policy has now arrived at its logical conclusion where road transport in the metropolitan area has been run into the ground.

It is obvious that the trust that is envisaged is no solution to the problem. There has been a great deal of criticism of the evidence given by Mr. Napier. Yet it reads very well. It does not read at all like the statement of a man who does not know what he is talking about; on the other hand it reads as though it has been compiled by one who definitely knows his subject.

The query which, of course, jumps to the mind is: Whom do we tax now? It is apparent that now we will be faced with a deficit not only in the railways—to which in some respects the people of this State have unfortunately become accustomed—but with another deficit that will be thrust on us, as a result of this metropolitan transport service.

I suppose the next thing we will find is that the Government will consider that taxis and private cars are interfering with the metropolitan passenger transport service, and will no doubt work out some extra special taxes in order to discourage these taxis and private cars from operating, and in that way push more and more passengers on to the buses of the proposed trust, until we will have to do something to establish a trust for taxis and private cars—and so it will go on. Surely the solution to the problem goes further back; and surely it is no solution to take over these services lock, stock and barrel with a view to forming another department. We will now hear from the Minister for Railways.

The Minister for Railways: Cheer up!

Hon. G. C. MacKINNON: I thought the Minister was going to give us a small speech. Mr. Teahan mentioned the transport trust at Kalgoorlie and compared it with that envisaged in this Bill; but I would point out to the hon. member that there is no suburban rail service in Kalgoorlie to compete with the buses there.

Hon. G. Bennetts: We have a bike service there.

Hon. G. C. MacKINNON: Should this Bill reach the Committee stage, we will be in a position where a considerable number of people will be holding debenture stock; some will be holding quite considerable amounts; and, indeed, it could be that on the death of a holder of such stock it could represent a major portion of his estate. It is possible that at an emergency sale—in the event of having to realise for probate—this stock would not bring its face value. That is a point to which the Minister should give some consideration.

Hon. Sir Charles Latham: It would be no worse than Commonwealth stocks at this stage.

Hon. G. C. MacKINNON: I could not agree more; and I see no reason why the principle I am about to suggest should not apply to Commonwealth stock.

Hon. Sir Charles Latham: You suggest that we should not have loaned them any money?

Hon. G. C. MacKINNON: I suggest that the State should be prepared to assess for probate purposes the debenture stock at its face value, and be prepared to accept that stock at its face value in payment of probate duty.

The Minister for Railways: You cannot pay your taxation with Commonwealth bonds.

Hon. G. C. MacKINNON: In some parts of the world it can be paid with Government bonds.

The Minister for Railways: I am talking about what happens here.

Hon. G. C. MacKINNON: I know that; and I see no reason why, in the event of this measure becoming law, the Government could not give serious consideration to that aspect and permit the payment of State probate duty by this means. It is a most reasonable request to make. It appears that it is the State's desire to acquire all these shares; and it seems to me that the suggestion I have made is the best course to enable it to do so. However, that is in the future, because it may never come to pass, and the trust may never come into existence.

I repeat, however, that the formation of a trust is no solution to the problem. Over the years, we have seen how metropolitan road transport has been loaded with all sorts of disabilities in an endeavour to force the people to use the railways. It is anybody's guess as to the nature of the disabilities which the Government will load on to taxis and private cars if and when the metropolitan transport trust comes into existence. The trust is no solution. We must ask the Government, indeed I think we should make it incumbent on the Government, to examine this situation with a view to a long-term solution to this problem.

I would like to revert to the set-up in Kalgoorlie for a moment. Apart from not mentioning the fact that there was no suburban rail transport competing with buses in Kalgoorlie, Mr. Teahan also omitted to mention that seven petrol buses were made available, free, to that particular area in recent years.

The Minister for Railways: Not free.

Hon. G. C. MacKINNON: So near, it does not matter. This, of course, has made a big difference to the ease with which a trust can work within economic bounds. For those reasons I oppose the second reading of the Bill.

HON. J. M. A. CUNNINGHAM (South-East) [5.40]: I want to say a few words on this measure to make clear in the minds of members the picture so far as it applies to our own specific district, where a small trust is controlling and running the transport service. It is true that for many years there was a service run by private interests which in the first place probably paid handsomely, but ultimately was not able to carry on, much less show a profit. An appeal was made to the Government of the day to assist it, and at that time seven buses were made available to the trust, and they are still in operation. A deputation waited on the Minister quite recently, and asked him to give consideration to the replacement of those buses as they had reached the end of their economic life.

I am very pleased to say that the Minister gave favourable consideration to the appeal, and the seven buses are to be replaced. Another factor that made it possible for the trust in Kalgoorlie to carry on and give a comparatively adequate service to the district is that the three local bodies concerned each put in a proportion of whatever loss may have been incurred over the year—the Government making good the balance. I suggest that with conditions similar to those, private enterprise would probably have been able to do as good a job, if not a better one, because it would have had the incentive of trying to make a profit.

As a small community on the Goldfields we appreciate very much the attitude of the Government of that day, and of the present Government, in making an advance to the district of equipment which it could not replace under the present set-up with the limited number of passengers available; and also in view of the peculiar situation of high peak periods at certain times of the day with very little traffic at others. It makes it a difficult proposition for any organisation to continue to run a service in those circumstances, let alone to make a profit, or show a reasonable balancing of its budget.

Accordingly, today we have the strange position that although the transport service run by a trust on the Goldfields is sufficient for the business offering at the moment, it could not have been run at all if it were not for the fact that, despite the comparatively high fares that have to be charged, the loss that is incurred has to be made up by a proportion from the Boulder Municipal Council, a proportion from the Kalgoorlie Municipal Council, a proportion from the Kalgoorlie Road Board, and the balance from the Government.

This trust is only in a small way; and I am doubtful about the proposition for a metropolitan transport trust, bearing in mind the huge losses already incurred in the metropolitan area. I feel the set-up is similar to what we have in Kalgoorlie in

a small way, and that increased losses will have to be met by the Government, which ultimately means the people.

HON. G. BENNETTS (South-East) [5.46]: Seeing that I was a member of the Kalgoorlie Municipal Council and also a member of the works committee when the transport problem at Kalgoorlie arose, it is only natural that I should say a few words in this connection. As Mr. Teahan said, he was a member of the Boulder Municipal Council at the time, and the Kalgoorlie Municipal Council was the biggest subscriber towards this trust. It originated because the trams were worn out and the tracks needed relaying.

As members know, the tracks are set down into bitumen, with the rail level with the top of the road, and reconstruction is a most costly job. These tracks deteriorated in a short period because water ran down a channel into the rail and caused the sleepers to rot, as well as the bed in which the sleepers were lying. In addition, the trams were so worn out that there were many derailments and something had to be done.

We offered the trams to different people, but no one was prepared to take them over. One of the main reasons was that on the goldfields there are a lot of bikes. It is only three miles from Kalgoorlie to the mines and three miles to Boulder. Therefore there is a huge population which use bikes. In addition, many of the miners have utilities and motor-vehicles, and they provide transport for their friends, who subscribe towards the petrol. Because of this, it is a problem to maintain a transport system in Kalgoorlie.

This not only applies to Kalgoorlie. It applies all over Australia, and I think all cities are experiencing the same troubles as we are in this State with road bus services and rail services. The set-up in Kalgoorlie under which the Kalgoorlie Municipal Council, the Kalgoorlie Road Board and the Boulder Municipal Council subscribe a certain amount of money to the trust, together with assistance from the Government, in order to keep transport going, is greatly appreciated. It means that transport is available for the poorer section of the community. The other section of the community can afford motor-cars, so it is necessary for us to cater for people in the lower income group. We also give a concession to aged pensioners, and I think members will agree that that is a worth-while proposal. If this Government takes over transport—

Hon. F. R. H. Lavery: Not the Government.

Hon. G. BENNETTS: I mean the trust. If the trust keeps the administrative overhead down and does not let it rise as it has been allowed to in the railways—where I think administration represents about 80 per cent. of the cost of running the service

—the position will be satisfactory. It will be necessary for the trust to see that road transport does not run parallel with the railways and to institute feeder services.

If this is done, we will have an up-to-date system which will cater for people who are not able to afford their own transport. We cannot have the position where the workers will have no transport to take them to work. In addition, there are very few deliveries today, and it is necessary for transport to be provided for the housewife in order that she may be able to obtain her commodities. I agree to the Bill and hope it will receive the support of members on both sides of this House.

HON. SIR CHARLES LATHAM (Central) [5.51]: At the outset, I think I had better give members the terms of reference of the joint select committee, because evidently they do not know them. The joint select committee was asked for by another place and the terms of reference were as follows:—

1. Whether it is desirable to have one statutory authority to operate metropolitan street passenger transport services; if so, whether the Bill satisfactorily achieves this purpose, or what type of authority would be best for the purpose, and under what conditions it should operate; and

2. Whether there are more desirable alternatives.

The committee was not asked to ascertain whether the streets could carry traffic, or anything else of that nature. It was just a question of ascertaining the condition of the metropolitan passenger transport system and as to what should be done to remedy the position if it were found to be in difficulties. The Bill which is now before the House was the subject matter which we had to go into. It was thoroughly investigated by the committee and certain amendments were suggested and have since been made to it.

We listened to evidence given by people who knew something about transport—even though some members of the committee may not have known too much—and it surprised me to hear the mediocre attack which was made in this House by a person who did not hear these men who knew something about transport. I would say at this point that I would be proud to be associated with a trust if these men were given the authority to operate it. If they could not make a success of it, I do not think anybody would. I feel I have a right to defend these people who came forward and impressed me with their knowledge, even if nobody else does so. Therefore, I have made up my mind, on the information given by these men, that I will support this Bill in every clause.

I believe that it offers the only plan for putting the metropolitan passenger transport system in this State on a reasonably

decent basis. Many of these people will have their businesses taken away from them, but I hope they will be liberally treated. I believe they will be, and in a way that will be beneficial to them.

One member referred in a most disparaging manner to the system of payment, and spoke very miserably about the debentures or bonds that would be issued. I would remind the House that the Bill provides for the highest rate of interest on Commonwealth long-term stocks to be paid, plus 1 per cent. This will be the ruling rate of interest on the bonds.

Hon. G. C. MacKinnon: I did not say they were bad.

Hon. Sir CHARLES LATHAM: Who accused the hon. member? I have never heard anybody take a bite as quickly as that; I think it is astounding. It was said that the debentures would go down in value. By interjection I suggested that if we looked at our 3½ per cent. bonds we would not be ashamed of them; because, after all, we who stayed behind did not have to put up with the same conditions as the men at the front. I am not ashamed of them and am glad I made a contribution.

The joint committee had the advantage of hearing evidence given by the chairman of the Transport Board who, up to date, has been in charge of road transport. I wish members had read his report, because had they done so I am sure they would not have made the comments they did.

Hon. L. C. Diver: Not much chance.

Hon. Sir CHARLES LATHAM: The hon. member has not had much chance, as he has been extremely busy, but others should have been able to read it, as I have done. We had the benefit of hearing evidence from the chairman of the Omnibus Proprietors' Association, Mr. Adams. In my opinion, Mr. Adams is a man possessing outstanding transport knowledge, and anybody who disparaged his evidence would be lacking in intelligence.

We also heard Mr. Davies, Traffic Engineer, Main Roads Department, who, as a result of a trip to the Continent and Great Britain, was able to offer us some very useful information. Then we took evidence from Mr. Dowson, and Mr. Hebitson, of the Beam Transport Co. In addition, evidence was given by Mr. Kostera of the Kalamunda Bus Service; Mr. Nicholls, manager of the Coogee-Spearwood Bus Pty. Ltd.; Mr. Napier, general manager of the Government Tramways and Ferries; and Mr. Hepburn, Town Planner.

Evidence was also given by Mr. Hall of the Railways Commission, not on the question of railways, but as to whether the railways could cope with the situation if road transport were fed to them. Mr.

Hall's evidence did not influence me except to say that, if necessary, the railways could carry the traffic if they were fed by bus services. Mr. Hall was accompanied by Mr. Brodie; and evidence was also given by Mr. Lamb, Chairman of the Perth Stock Exchange, as to what would be the value of the debentures on the market. Mr. Lamb did not say anything disparagingly about them; he said anything with a Government backing was always regarded as a gilt-edged security. Therefore, it surprised me to hear some of the remarks which were made tonight.

Hon. G. C. MacKinnon: They are still difficult to sell at face value.

Hon. Sir CHARLES LATHAM: Anybody who invests money has that problem. I admit that if this Bill goes through operators will be compelled to accept these bonds. However, while speaking of the trust, I want to say that the Bill does not provide for Government control. If that were the position, I would not support it. However, it is a bogey that has been put forward in this House. This trust is similar to the electricity commission; and has anybody complained about the conduct of that commission and its methods of business?

The Minister for Railways: We never hear any.

Hon. Sir CHARLES LATHAM: No, of course we do not; and there are a few other bodies of a similar character. When I was Minister for Agriculture we found that the Midland Junction Abattoir was losing a considerable amount of money, and we thought it would not be a bad plan to set up a board or trust to control it, and we did so; and I notice that according to the latest returns the abattoir is making a profit.

Hon. C. H. Simpson: A private operator is a member of the board, and he is a very prominent figure.

Hon. Sir CHARLES LATHAM: That does not make any difference. I am hoping we will have a man of that type on this trust, because a huge mistake will be made if such a person is available and is not appointed. Then again I point to the position at Robb's Jetty. Certainly a Treasury official is on the authority established there, because the Government took over a large financial responsibility in connection with it. That concern is paying its way, and it has no Government interference.

The Minister for Railways: What about Wundowie?

Hon. Sir CHARLES LATHAM: I shall not say too much about Wundowie, although it is now coming into a stage which, I hope, will continue. But do not forget it started as a new venture. I have not condemned Wundowie, because charcoal steel was, at the time the concern

was established, an innovation to Western Australia, and very little was known about it.

The other concerns I have mentioned have been quite a success; so why should not this one be? We must do something and do it fairly urgently. Some of these companies have put in a deal of capital over a period of years, and are now reaching the stage when, because of Government interference, they are having difficulty. I use those words advisedly because the Government is pushing its buses in at different places and it does not matter whether a profit or a loss is made. The losses on the railways and on the Government buses must give the Treasurer a headache.

Hon. F. D. Willmott: And the taxpayer.

Hon. Sir CHARLES LATHAM: No. It does not seem to worry the taxpayer. He seems to go paying.

Hon. A. F. Griffith: The position is getting pretty grim.

Hon. Sir CHARLES LATHAM: These things can be determined at election time. The public are a thoughtless lot of people in a general way. Very few of them study the position. Does the Press help to educate the people on what Parliament or the Government means to them? Of course it does not!

The Minister for Railways: Only if they are up for long-service leave.

Hon. Sir CHARLES LATHAM: All the Press is concerned about today is the morbid and bad side of life. If it did what it did in the old days, the Government would be on its toes a great deal more than it is. Thank God we have a Legislative Council with a majority on our side!

The PRESIDENT: Order! I hope the hon. member will couple up his remarks with the Bill, because he is getting a long way from it.

Hon. Sir CHARLES LATHAM: The Bill will be determined entirely on what this House does. Not only that; but in deciding the question of the Bill, we will determine whether those men who have invested their money in the transport system here will get anything out of it; some of them, anyway. Some of our transport operators are in a pretty bad way at the moment, and we should deal with this measure as quickly as possible and give them some hope that they will not lose everything.

I listened carefully to the evidence given to the select committee, and I was satisfied that the people who came before us were prepared to hand over to the trust and that they felt it was necessary to do so. I admit that they do not want Government control, and I do not think they should have it.

The Minister for Railways: It is not in the Bill.

Hon. Sir CHARLES LATHAM: Members have not read the report, and although I do not wish to read the lot of it there are parts of the evidence that I would like to submit to the House. From listening to the evidence of the witnesses, I am convinced that the trust is the only means to reduce losses and maintain required services. All the companies stated that the day was fast approaching when they would find that the business was unprofitable. Some of the reasons advanced were: High taxes; Government buses competing, especially picking up the most profitable extras; rail fares very low, much lower than they could run the buses for; Government buses encroaching on routes of private companies; and finally the 1s. per gallon diesel oil tax.

A statement was made on behalf of the transport association and I shall now quote from what the chairman had to say—

I have spoken of these disabilities to explain our reasons for supporting the creation of a trust. We are not betraying private enterprise—this is not a case of private enterprise failing to do the job, it is an example of what happens to private enterprise when it is regulated, directed and financially controlled by persons who have had no practical experience whatever in the industry.

All through the years we have made strong representations to successive Governments for some relief, but irrespective of which party has been in power, our efforts have failed.

Continuing he said they had recently had a conference and—

At this conference most private operators said that, if they could be placed on the same basis as State owned transport with regard to taxes and charges, they would like to carry on. However, if the Government decided that one overall operating authority was necessary to achieve full co-ordination and rationalisation of operation, they would co-operate in any plan formulated.

Subsequently the Government did agree on the principle of one authority, and since that decision was made, private operators have had many conferences with the Minister during the preparation of the legislation necessary to create a metropolitan transport trust. The co-operation of operators has been mainly directed towards those sections of the Bill dealing with the acquisition of their respective businesses. The sections concerning the formation of the trust, the duties and powers of the trust, etc., have naturally been matters for the Government to determine and have not concerned us to any extent.

During the course of the negotiations, and in answer to a question from the Minister, we stated that private operators, if they all joined together in one unit, would not be able to secure the necessary capital to become the sole operating authority and further, that the difficulties of all getting together voluntarily were practically insurmountable.

The oppressive taxes which have been levied against our members and the many restrictions placed on the conduct of our businesses has made our task a heavy one and today most operators feel that we are fighting a losing battle. Because of this, operators with perhaps one exception, support the formation of a trust—

I understand there are no exceptions now; that this one has joined in—

This support is in most cases very reluctantly given as many have built up good, efficient services of which they are justifiably proud and they do not like parting with them. However, circumstances have forced our hands and bitter as the pill may be, most of us see no other alternative.

He went on—

May I be permitted to say a few words on the disabilities under which we have been, and in most instances, still are operating.

Transport Board fees: Originally buses paid their traffic licence fees similar to any other vehicle, but for some unknown reason a seating tax was levied and to my mind this had no other purpose than to hamstring this new form of transport which might possibly become a serious competitor with Government suburban railways and Government tramways. On the passing of the Transport Act in 1933 this seating tax was abolished and an attempt was made to impose a 10 per cent. tax on gross revenue. However, the strenuous efforts of operators managed to secure a reduction to 6 per cent. maximum. Ever since 1933 the maximum has been charged to every operator except those in serious or semi-serious financial straits. Admittedly the present Government has reduced this minimum to 4 per cent. as an offset to the double registration for diesel vehicles. Imagine our feelings as essential service operators when the betting shop tax was fixed at 2 per cent.

He went on—

To give some idea of the weight of Transport Board fees, might I quote my own company's figures. During the 20 years ended June, 1957, Metro Buses have paid £379,678 to the Transport Board.

That is a lot of money; and it shows that this man is a good business man if he can pay such a sum and still maintain his business as it is. He goes on—

Sales tax: This is a Commonwealth matter but I should like the committee to know that private operators are the only section of passenger transport in Australia that has to pay this tax.

I cannot see why it should be asked to pay sales tax. The Government might take this question up, if the trust comes into existence, in order to avoid this payment. Finally this gentleman said—

The diesel fuel tax of 1s. per gallon: This has made our task more difficult than ever and although continued representations may bring some relief from either the State or the Commonwealth, we are sure to lose some ground. In the meantime, this tax is costing my company £50 per day and private operators generally about £1,000 per week.

Such imposts would not encourage many people to go into this class of business.

The Minister for Railways: The Federal Government does not understand the disabilities.

Hon. Sir CHARLES LATHAM: No. He continued—

Personally I have spent over 30 years helping to build up an organisation which I think you will agree is a credit to free enterprise and I can assure you that together with my co-directors we deliberated long and earnestly before we decided to give up the fight and call it a day—we can see no other way out.

There are some things in connection with the evidence that members should know, and for that reason I have read these extracts. Mr. Simpson questioned one of the witnesses, and the following are the questions and answers:—

In your opinion could the trust function successfully if it included the Government services and such of the private operators as desired to be embraced in the trust, and leave the entry into the trust as a voluntary action on the part of all operators?—I daresay the trust could operate; but it would be most desirable in my opinion that the metropolitan transport trust operate the whole of the transport within that area.

I know that you have had long and practical experience in running companies, and do you think that in a body such as this, would the Government be called upon to provide some measure of finance in order

to establish the trust and keep it going?—I should imagine that a considerable sum of money would have to be spent on new vehicles almost immediately.

Do you think that the trust when established could command a capital of its own in order to buy new plant and equipment and pick up the necessary shortages of those companies which are on the verge of bankruptcy and so on; or would that of necessity be a Government operation?—You mean, do I think the trust could pay its way and do I think it would have sufficient finance to make up losses and so on?

Yes?—That is a pretty hard one to answer because I do not know the ramifications of the Government services. Operated economically, I think the trust at the present time, if it is freed from the taxes under which we are operating and which I think it would and should be, it would have quite a good chance of balancing the budget, and may be it would get a little in front.

Hon. J. G. Hislop: Would it be free from the diesel tax?

Hon. Sir CHARLES LATHAM: Don't ask me! I am not the Commonwealth Government. I think the Government is free from it, but the Minister may be able to enlighten us on the point.

Hon. J. G. Hislop: The trust would pay it.

Hon. Sir CHARLES LATHAM: The trust could be relieved of it. I do not think it should be taxed. Why should the people be taxed because they are going to work?

Sitting suspended from 6.15 to 7.30 p.m.

Hon. Sir CHARLES LATHAM: To continue the quotation I was making before the tea suspension—

But in saying that I make this qualification, that during the initial getting together there will be a lot of expenses that will not recur and a bit of generosity would have to be extended during the early period of getting the trust established.

If the trust were formed and given powers to launch loans, after the fashion of the State Electricity Commission, do you think it would need to be in such a position that it could attract investment from investors?—I do not know that I am competent to answer that because I am not particularly conversant with the flotation of loans. But I think you must remember that any loan floated would have the backing of the State Government, both as regards principal and interest, so that irrespective of whether it was a transport trust or

the State Electricity Commission, so far as the investor was concerned, it would have the same guarantee.

That question was submitted to Mr. Lamb, Chairman of the Stock Exchange, and he said that if it had Government backing it would be gilt-edged security. To continue—

In your opinion it would be necessary to clothe the trust with powers to levy its own fares and regulate its own groups, time-tables, etc.?—I think it should be. I think the men in control of the trust will have a far better appreciation of what the fares, schedules, etc., should be than anybody appointed to control its activities in that direction.

By the Chairman: The proposal in the Bill is that there should be a trust of three persons. I would like your view as to whether you think there should be a general manager with no trust at the top or just what form you think the administration and policy making should take?—Perhaps I could refer to our own company of which I am managing director. I sit on the board and I have co-directors who have an intimate knowledge of the industry.

How many are there?—There are four others beside myself and we find that that works admirably. Naturally, as managing director they are guided by my wishes and views a lot but I also find them a great help in counsels and determining policy and in making any serious decisions. The reason they are a great help is that they are all men with an intimate knowledge of the industry. They have been in it and they know as much about the industry as I do. A trust formed like that with a general manager in charge of it in the operational sense will need some good counsel to fall back on to help it through.

Would you say the general manager of the trust as a business concern should also be a member of the trust?—Yes, I think it helps considerably for the general manager to be a member of the trust. Perhaps I might offer my private opinion. I am a little inclined to five in preference to three members.

If there was a monopoly of metropolitan passenger transport, do you think there would be any danger of the trust covering up its inefficiencies and weaknesses by increasing fares automatically to meet the losses, or do you think there should be some authority possessed of the necessary power of vetoing the proposals before the increases are put into effect?—If there were irresponsible members of the trust I daresay that position could

arise. The remedy would be to change such members. The danger of a statutory body controlling fares is that unless the members are highly competent, they could hamstring the trust and put it into a bad financial position for reasons other than those of economy. I might quote what happened in England when the London Passenger Transport Board was brought under the control of the Minister. The control of fares was taken out of the board's hands, and for political reasons they were kept down. Immediately that board went into huge losses and it was unable to operate profitably. The Treasury then took over.

If the formation of a trust is the answer to the existing position, what is your opinion of the Bill to give effect to that? Would you suggest that there are parts which are violently opposed to what should be the position?—I would not suggest that at all. In my opinion the Bill is a very good attempt, considering it has been built up from nothing. It is very comprehensive. Naturally there are one or two things we would like to see inserted from the compensation angle; in particular the provision with regard to the displaced staff. We think there should be some provision made.

The witness thought the 1 per cent. above the bond rate should be 2 per cent. To continue—

By the Chairman: This question was raised in the House only yesterday: What will be the position of the pensioners and the trust? There is a school of thought which suggests that the transport authority does not lose a great deal by these concession fares because there will be more pensioners travelling in off-peak periods than would otherwise be the case, and they might as well have people paying half fares and be reasonably full as otherwise. Have you given any thought to the economics as they affect your concern if a somewhat similar concession were extended as the Government service extends at the moment?—If it is possible to police the concession thoroughly, I agree that it might work with those pensioners who mainly travel in the off-peak. They would not add to the losses of the trust, but if they travelled in the peak it would affect their finances.

By Mr. Lapham: When the trust had been formed and settled down in operation, do you think it could make a profit?—It is hard to say. It depends on a number of factors, one of which is the industrial conditions under which the trust will work. If it could operate as efficiently as our

company does and the passengers offering remained at the present level I think it could make a profit.

By Mr. Hearman: There has been some suggestion that you work under industrial conditions different from those on the Government tramway buses. How do you account for that?—The Tramway Union was concerned only with employees working on trams when we came into existence and they had no powers to take bus industry employees into their union, but the Transport Workers' Union did and it catered for our staff and a suitable award was drawn up as far back as 1926. The Tramway Union naturally was not concerned then but of recent years they have acquired buses.

I have endeavoured to bring before the House the facts that were given to the select committee, and on the evidence that was placed before us I am convinced that the only thing to do is to take the control entirely away from the Government and place it in the hands of the trust. Undoubtedly there will have to be a representative of the Treasury on the trust, if the Government has to find money and guarantee the trust; but he would be there more as a watchdog for the Government than anything else. I repeat that the actual running of the trust should be left to experienced men such as I have mentioned.

I feel that those who have, so far, provided an efficient service in the districts where they have operated, should be given liberal treatment when the Government is taking over their assets, as I do not think they should be forced to leave the industry with nothing at all. Those bus operators have not called on the taxpayers to make up their deficiencies and so I think we should treat them liberally. I have been on many select committees, but never before have I been so impressed with the honesty of those who came forward to give evidence, and I think it would be well worth while for any member to read through the evidence in full. I would remind the House that the proposal contained in this Bill will affect the finances of the State considerably in future, as transport is a service that must be provided for the people.

Admittedly, the private motorcar represents considerable competition for those running transport services, as I believe that often four or five people are carried regularly in the one private vehicle. That form of transport would not be as cheap as is available on trams, buses and trains, but that aspect is something to be considered solely by the people concerned. I hope members will make up their minds regarding this measure in the light of the evidence given to the select committee. I support the second reading.

HON. L. C. DIVER (Central) [7.38]: It is with mixed feelings that I address myself to the subject matter of this measure, which seeks to create a metropolitan transport trust. Over the last few years I have been accused of exhibiting socialistic traits; and the only daily journal of any consequence that we have would have us believe that this measure has a socialistic trend and would, if agreed to, effect a form of socialism. However, I am a little bewildered in trying to work out what socialism actually is, especially when applied to transport; because when I look back over the years, I find the only form of transport between Midland Junction and Fremantle was the Government railways; that is, apart from horse-drawn vehicles. So far as this State was concerned this railway was then and still is a socialised form of transport.

With the passage of time, and with the advent of the motor-driven vehicle, we saw private enterprise in the transport field gradually competing more and more with that socialised form of transport. However, each year the operators of private transport services have become more and more burdened with various forms of taxation and have been placed in a position of having to meet unfair competition from the improved metropolitan rail services. These events have made their position in many instances practically intolerable.

It would appear that I am getting away from the theme on which I started—namely, the meaning of socialism—but it would seem that we have now reached the stage, in view of the fact that the Government has decided to create a metropolitan passenger transport trust to take over the responsibility of conveying passengers from one point to another throughout the metropolitan area, that such a step represents a socialistic trend. I cannot follow the reasoning of those who adopt such a view and who level such an accusation against the Government.

If I cast my vote against the passing of this measure and this proposed trust is not created, I wonder what might happen in the not too distant future if there is a change of Government and those who are now in Opposition have to face the same problem. Those members who are now in Opposition and who may form the Government in future years will have to face up to the fact that many of these people who have spent a life-time building up a transport system and who have invested their life savings in their ventures will, one by one, be going to the wall.

Hon. F. R. H. Lavery: That is Mr. Napier's suggestion.

Hon. L. C. DIVER: Also, I may witness the spectacle of those who are now in Opposition being faced with the problem of clearing up the mess which our transport system will then be in. Those in office in the future will no doubt have to face

up to the question of the serious deterioration of the various transport systems and of having to find the necessary finance that we hear so much about to set up a proposed metropolitan passenger transport trust; and it could be that the money market in the future might not be so good as it is today.

I realise that it is a bitter pill for many of the existing bus operators to see created a metropolitan passenger transport trust and their life's work being guided into the channels proposed. However, I take it that they were serious when they gave evidence before the select committee that the proposal contained in this Bill is the only practical solution of the difficulties they will have to face up to in the very near future. I am sure that those operators were fully aware of the percentage of their earnings that is being swallowed up by such items as the 4 per cent. transport tax; and evidently they were of the opinion that even if they could get complete relief from that burden, the future held nothing for them.

A suggestion was made that perhaps they could gain relief from the diesel fuel tax and sales tax, but it must be remembered that they are levied by the Commonwealth Government. I think that we in this State would have very little hope of getting any results from any representations that we made to the Commonwealth Government to relieve private bus operators from these taxes; because if the Commonwealth Government agreed to our request, all forms of transport throughout the length and breadth of the Commonwealth would immediately become entitled to expect the same relief. Therefore, I cannot see any relief coming from that source if this Bill does not become law.

On the other hand, if the proposed metropolitan passenger trust were created—and at least it is a semi-governmental body—there is the possibility that it might escape the imposition of the diesel fuel tax. However, I would not be too sure of that. I do not wish to be misunderstood when I address myself to this question of free enterprise; because I think, without being egotistical or presumptuous in any way, that of all those members who constitute the Legislative Council, I have worked my way through life to the stage I have now reached through the medium and the development of free enterprise. However, we should not become confused between what is free enterprise and what it means to be free to do what we would like to do under licence.

Throughout my life I have often realised that there are odd times when undertakings or proposals similar to the one contained in this Bill must be undertaken for the benefit of the people. For example, I could cite the various projects that were put in train and entered into by the late Lord Forrest. No one could accuse him of being a socialist. When he employed C. Y.

O'Connor to build a pipeline from Mundaring Weir to Kalgoorlie to supply Kalgoorlie with water and that project was completed, without the assistance of private enterprise, no one could accuse him of being a socialist; because in essence that undertaking was for the benefit of society as a whole, and it was financed by society as a whole.

Sir Charles Latham has given us a few examples of trusts and their methods of operation within the State. Provided an honest endeavour is made by Parliament to keep its fingers out of the business activities of a trust, a trust holds no terrors whatsoever. As I now propose to become a little parochial, the accusing finger may be pointed at me because of the attitude I intend to adopt. This proposal for the control of metropolitan transport generally does affect the members of the Central Province very materially, because there are road transport services fanning out as far as Sawyer's Valley and Kalamunda in the east and Kelmscott in the south.

Many of the people residing in my constituency rely on the bus services to convey them to their places of work, business and pleasure. They depend on the efforts of the bus proprietors to give them that transport and on the regularity of the services. It will be realised that I have given a great deal of consideration to the needs of my electors before coming to any conclusion on this measure. If the Bill is defeated and the trust is not created, many parts of the metropolitan area will not be able to be served by the existing bus companies.

I would point out that in respect of many outlying suburbs it would be very difficult to provide any other temporary form of transport than bus services. I have given two instances, among others, where temporary transport can be given. I allude to the great number of motorcars that are being used today to convey people into the city, and to the indiscriminate manner in which taxi licences are being issued. These two methods of conveyance compete with bus services which already find it difficult to exist.

The private motorcars, which form a type of co-operative car service, transport a terrific number of passengers into the metropolitan area. I do not know how they would stand in the event of an accident in which the payment of compensation was involved. That appears to be a risk which they are taking. Then again there are the people who travel in taxis; it is found cheaper to engage a taxi for four or five people going to town than for those people to travel by bus.

In order to relieve the situation immediately, the best course the Minister for Transport can take is to curtail the number of taxi licences and increase taxi fares. In one way that would act as an economic counter. Those are the two

sources for the conveyance of people into the city in the event of serious curtailment of bus services. In the outer districts it is obvious that if the transport position deteriorates to any extent the Government will have to extend its services to serve them.

Party politics being what they are, it does seem strange to me that none of the members who claim to represent the interests affected by this measure have tried to preserve the equity of the bus operators. Perhaps even at this late stage in the debate other members will support the bus operators in their move to bring about a preservation of their equity and so render the assistance that is necessary.

I have to consider my position in relation to this matter very carefully. If the trust is set up as a result of my support of the Bill, I will have to consider the reaction to my support in the country districts where there has been a discontinuance of rail services through lack of finance on the part of the Government.

Hon. L. A. Logan: Through lack of foresight.

Hon. L. C. DIVER: I agree it was also a lack of foresight. The tangible excuse given by the Government was lack of finance and that those lines were unpayable. If the transport position is allowed to deteriorate—as it evidently is doing because the private bus operators cannot conduct the outer suburban runs profitably—it naturally follows that if the Government were to conduct those services itself there would be a greater loss. In that event I wonder whether the Government would treat the people who live in the outer suburbs in the same way that it has treated people living in the outback country, and apply the same prescription referred to by Mrs. Hutchison the other evening of the greatest good for the greatest number.

It is obvious that the hills districts have not the population; and therefore the available buses will be used under Government operation where they will render the greatest service to the greatest number. The day will soon come when the Government realises the folly of its policy of rail suspension in the outback and finds that very few people remain in the outback because of lack of transport. I hope that if I were to change my mind and support this measure the Government would change its policy and resume the suspended railway services.

I have to be very careful of what I do in this matter because the trust will require an enormous amount of capital for its operation, and initially a large proportion will have to come from the pool of loan funds made available from year to year by the Commonwealth Government. In the initial stages the inroads on that allocation of loan funds would be terrific. I have to give considerable

thought to the repercussions of the impact of the trust on the loan funds of the State, and to the effect that the creation of the trust would have on the people living in the outback areas who have no alternative form of transport save the railways. With those rambling observations, which members must agree are very pertinent, at the present time I do not intend to support the Bill.

HON. L. A. LOGAN (Midland) [8.10]: This measure needs a great deal of consideration and thought, and requires a mature vote. The vote of only one or two members of this House will determine the passage or rejection of this measure. To vote against the Bill is virtually to vote against the recommendations of the select committee; on the other hand, to support it will bring about a point of no return. It is around that point that my vote will be cast.

I appreciate that the select committee was given a specific job. As one having some experience of select committees, I can well realise the amount of time the members put in. It will be recalled that when the motion for a select committee into this matter was before the House I doubted whether the select committee would have sufficient time to go into all the ramifications of metropolitan transport. I was particularly doubtful of its ability to inquire into the ramifications of the Bill. For that reason, if I do not support the Bill, I believe that I shall not be going against the recommendations of the select committee.

In my view there are some problems on which the select committee has not touched. If I am wrong, I hope to be corrected, because I can be perfectly frank in admitting that I have not read all the evidence. Time and circumstance have not permitted me to do that. In regard to the very short portion of the evidence read out by Sir Charles Latham, however, the more he read the more I became convinced that this measure should not be supported. I do not know of any other people who have been more coerced by circumstances than the bus operators; coerced not only by this Government but by the previous Government also. They have got themselves to such a stage that they have reached the point of no return.

The Minister for Railways: Who?

Hon. L. A. LOGAN: The bus operators. The evidence read out by Sir Charles Latham proved that the charges imposed by the Transport Board and by the Government made it very difficult for the bus operators to carry on. For that reason I say that circumstances coerced the bus operators into agreeing to the trust. Had they been given a little more consideration in the earlier stages; had the levy of six per cent. been reduced sooner; had a greater franchise been given them; and

had a little greater co-operation existed between the Railway Department and the bus operators—instead of their running services alongside one another, and both making a loss—the difficulties that the bus operators now face might not exist.

That is why I have come to the conclusion that they were coerced by circumstances into their eventual summing up of the position. I do not blame them for reaching the conclusion they did. But I want to know what cognisance was taken of the taxi system which was mentioned by Mr. Diver as operating through the metropolitan area, and whether consideration was given to the establishment of meters in the city and of fringe parking.

There are to be four fringe-parking areas—one near the Christian Brothers' College, one at the foot of Mill-st., one on railway land in Wellington-st., and the fourth by the Causeway. These places will provide for more parking than ever before, and that must have some effect on metropolitan transport. I want to know whether the committee dealt with those phases or not.

Hon. Sir Charles Latham: We were not asked to do so.

Hon. L. A. LOGAN: There you are! As I said earlier, the committee did not go into the ramifications of metropolitan transport. In my opinion these are subjects that should have been discussed and considered; but I said previously that I knew the committee would not have time to deal with the matter thoroughly, particularly as it was considering a Bill and not transport as a whole.

Hon. F. R. H. Lavery: And there is the establishment of shopping centres in suburban areas.

Hon. L. A. LOGAN: I was going to discuss that. Today a considerable amount of shopping is done in suburban areas, and that must have a great effect on metropolitan transport. That will increase year by year. We have a firm like Boans prepared to spend a terrific sum to build a second emporium in a suburb, and another one is going into the Belmont area. All the big firms will do the same thing, and these are matters that will have to be taken into consideration.

That is why I do not want to come to the point of no return, because once we establish a trust, we will have it for all time, and we will never return to private operators. I want to have a little more time to study the ramifications of this matter and consider what is likely to happen, before I cast my vote in favour of the measure.

It may be said that this is not a Government show. I am prepared to take that statement at its face value. At the moment, it will not be a Government show. But if this trust makes losses, who

will pay for them? There is only one place where the loss must come from—the Government. Immediately the trust lost money and the Government paid the deficit, the trust would be a Government concern, whether we liked it or not. It could not be otherwise. So we would have a Government concern running at a loss. Today we have the tramways and ferries running at a loss and two private operators doing so. There are three private operators making a fairly good profit. Of the remainder, some are making a fair margin and some are breaking even.

Then I would like to know under what transport union this system would be operated. Would it be under the Transport Workers' Union or the Tramway Employees' Union? There is a difference between the two in relation to wages and conditions.

Hon. G. C. MacKinnon: A pretty marked difference, isn't there?

Hon. L. A. LOGAN: I think that Sir Charles Latham pointed out that it had been said in evidence that if the bus operators could run under their own conditions they could make a profit, but that they could not do so under tramway conditions. We have not been told under what conditions the trust would operate, and that has a marked bearing on the ultimate results. I want to know what the situation is before I cast a vote. These things have not been taken into consideration, and we have not been enlightened. The Minister can smile if he likes, but even he does not know what effect railway transport in the city has on the private operator.

We have the Armadale bus and the train from Armadale running neck to neck, and the bus operator conducts his concern at a disadvantage on account of the cheaper fare charged by the Railway Department. It must also be remembered that the Railway Department at the moment makes special provision for bringing its own workers into town, and parking areas have been established. If one goes to the Midland Junction Workshops one cannot find a parking space, despite the fact that special trains have been run for the workers. Many of them travel by car, and the parking space is fully occupied.

The Minister for Railways: How do you come to work?

Hon. L. A. LOGAN: When I have not got my own car I travel by train. I use my gold pass, so it does not cost me anything.

Hon. H. L. Roche: You must be the only one that does.

Hon. N. E. Baxter: Will the trust make a charge?

Hon. L. A. LOGAN: If it did, I would have to pay. I am not ashamed of using my gold pass; it was given to me as a

privilege and I make use of it. Occasionally I travel by bus because there are both forms of transport from where I live. The bus stop is within 50 to 60 yards of the station, where I connect with the train. But the train fare is 10d. to the city, whereas the bus fare is 1s. 3d. That is a terrific margin.

Hon. F. R. H. Lavery: But the train will not bring you outside the door at Parliament House, whereas the bus will.

Hon. L. A. LOGAN: No; it will not.

Hon. F. R. H. Lavery: Yes it will.

Hon. L. A. LOGAN: Only the Victoria Park bus will do that, and that is not the one I am speaking about. I am talking of the Carlisle bus, the terminus for which is near Government Gardens. I want to know the reason for that margin of 5d. for the same distance. Probably that is one of the reasons why the Carlisle bus company is not making as much money as it should be. The Government will not increase its fare to 1s. 1d., which would be a reasonable figure, because it is frightened that the Carlisle bus company would get a few more passengers at the expense of the Railway Department.

How much consideration has been given to the amount of dead running that occurs with regard to buses coming from Midland Junction, Kalamunda and Carlisle? Once those buses reach the Rivervale crossing there is dead running to the city, because they are not allowed to pick up passengers. Those are ways in which costs could be chopped down considerably; and I want an answer to all these questions.

There is a trust in New South Wales and another in South Australia, and they are losing money; and it is proposed to take over losing propositions in this State—under what conditions, we do not know. But there is the possibility of a loss being sustained. Let it not be forgotten that in the answer given to a question by Sir Charles Latham one witness said he could not state what the position would be in that regard. He was not game to admit what might happen; and we can only come to one conclusion, which is that there would probably be a loss. Once there is that loss—and we know the whole story of what is happening in the railways—then pity help this country! It is hard enough now to get loan money for any worthwhile building in the country. If we add to present losses further losses on metropolitan transport, we will see less loan money being spent in the country. Therefore I think it behoves every country member, irrespective of political creed, to give a little thought to what this proposition can mean in a few years' time—what effect the loss would have on the expenditure of loan money in the country.

Hon. F. R. H. Lavery: Are you taking into consideration the assets that will be taken over?

Hon. L. A. LOGAN: On the evidence submitted by Sir Charles, some of the operators have not got too many assets.

Hon. F. R. H. Lavery: What about some of the bigger companies?

Hon. L. A. LOGAN: It has been stated that the Government will have to find a lot of money to purchase new buses.

Hon. F. R. H. Lavery: Twenty-five; that is all.

The PRESIDENT: Order please!

Hon. L. A. LOGAN: That would cost a fair amount of money.

Hon. J. G. Hislop: About £8,000 apiece.

Hon. L. A. LOGAN: That would be the least amount that would have to be paid for a decent bus.

Hon. J. D. Teahan: The trust would co-ordinate the transport services much better.

Hon. L. A. LOGAN: I appreciate that. But I do not think we need a trust to obtain that co-ordination. Surely we could leave the private operators to run a co-ordinated service by taking away the penalties they suffer and the restrictions under which they operate. Give them a fair crack of the whip, and they will be prepared to have another go. We have been asked what is the alternative to the trust. For my part, I consider the alternative is to give the operators a fair crack of the whip; to remove restrictions and penalties from them. Then, if they still cannot remain in operation, and the formation of a trust is necessary, I will be prepared to accept a measure of this sort.

Hon. G. Bennetts: They would go bankrupt.

Hon. L. A. LOGAN: No; they would not. The Government is subsidising one or two companies and the amount of subsidy would be small in comparison with the loss that a trust might make. If we accept this measure, we reach the point of no return, because we would never then be able to return to a system of private bus operators. For that reason I find it difficult to make up my mind to vote for the Bill.

THE MINISTER FOR RAILWAYS
(Hon. H. C. Strickland—North—in reply)
[8.28]: I thank members for the views they have expressed on this subject. There has been a long debate on two occasions and it has certainly be most interesting to hear the varied opinions expressed. Those who are opposed to the measure, or who have not made up their minds how to vote, can rest assured that this is a very important question that they have the responsibility of deciding. It is very important for the Government, the private bus owners, and the population of the metropolitan area who use public transport.

Sir Charles Latham outlined the basic case on behalf of the bus operators. The evidence he read out can be taken to be the view of the majority of the operators, and there is not the slightest doubt that they have taken the very long and serious view of transport in the metropolitan area.

They have not made up their minds in a hurry or with any undue haste, as was suggested by Mr. Mattiske, who said that more time should be given to the question. The first meeting of the omnibus proprietors with the Minister for Transport, the Minister for Works and myself, and other Government officials—including Mr. Napier—took place either at the end of April or early in May of 1956 to discuss problems which confronted everybody catering for public transport in the metropolitan area. Those who perhaps are still fortunate enough to be showing profits and are able to pay dividends to shareholders realise that the situation cannot continue that way for ever under existing circumstances. That is impossible. Transport within the metropolitan area has become dislocated instead of co-ordinated as it should have been—and dislocated through many and varied causes. There has been for many years, and still is, competitive public transport instead of complementary public transport.

That was all right when things were good; it was quite a good idea when motorcars and petrol were short, and the people had to travel anyway. But the position is totally changed today. In Australia, one person in every four—and that includes children and adults—possesses a motorcar. When a situation such as that matures there is not the slightest doubt that public transport is faced with a gigantic problem—the problem of private ownership, something in which we all believe. That is the greatest menace to public transport. Those responsible for the transport of people into and out of the metropolitan area have a very onerous responsibility.

It is well known that the hearts of bigger cities in other parts of the world are dead today because the transport into and out of those cities has become inefficient. As Mr. Logan said, big business is building on the fringes of the cities, causing the cities to spread out. We in this State are fortunate because we are able to observe those mistakes, and to make an attempt to prevent such occurrences in our own city. That is one of the reasons why the previous Government engaged Professor Stephenson to draw up a plan to overcome that long-range probability; that is why he was brought here from England and £100,000 was spent on him in fees; it was to prepare a plan to overcome such an eventuality which would overtake this city if it were not planned correctly. This plan will be put into effect in stages over the next 50 years.

The Stephenson plan provides for access of traffic into the city, whether it be private or public transport. He plans to keep the heart of Perth alive, and not allow it to decay, as cities in many other parts of the world have decayed. Even in Sydney the same problem has become apparent in recent years.

The proposal to set up an overall authority to co-ordinate and operate public transport within the city is not a dream. It is not a socialistic whim; it is an absolute necessity; it is needed to overcome a dangerous situation which has developed and which is now existing in this city in regard to public transport. The private omnibus proprietors have expressed agreement with the Government's proposals; and they are in full agreement with the Bill because it protects them in every way possible. When the people who are affected are in agreement, how can anybody raise any objection to the proposal? To say that it is socialistic is merely using a political catchcry. There is nothing socialistic about it.

Hon. N. E. Baxter: What would be the alternative?

The MINISTER FOR RAILWAYS: Mr. Simpson has an alternative, and he told us about it. The majority of the members of the select committee—Mr. Simpson was the only dissentient—said that there was no other alternative; but Mr. Simpson has an alternative and he told us about it the other day. His alternative, in substance, was to cut out all railway passenger transport services in the metropolitan area and, if necessary, subsidise the private omnibus owners. The trust, if it is formed and divorced completely from ministerial or Government control—except when it wants some finance—will be a socialistic proposal in the eyes of some people. But if the owners carry on, and the Government makes up their losses, and allows them a margin for a profit as well, what "istic" is that? The Government pays just the same.

Hon. J. M. A. Cunningham: Idealistic.

The MINISTER FOR RAILWAYS: Realistic! The hon. member believes in that policy. That sort of policy subordinates the majority to the few.

Hon. J. M. A. Cunningham: I said "idealistic."

The MINISTER FOR RAILWAYS: That is purely spoils to the victor, and we do not believe in that; we believe in spreading. The hon. member is strongly in support of the transport trust on the goldfields. He should be consistent and support the same thing in the metropolitan area because exactly the same position applies. Public transport caters mostly for workers and their families, and they are workers on the lowest rungs of the ladder, because they cannot afford to buy motorcars. They are among the three out of every four people who do not own motorcars.

Hon. G. C. MacKinnon: Would it not be correct to say "motor-vehicle" instead of "motorcar"?

The MINISTER FOR RAILWAYS: Possibly that is correct; it is motor transport.

Hon. C. H. Simpson: The Government helps the Goldfields trust.

The MINISTER FOR RAILWAYS: They are the latest figures I have given. They were quoted over the air this morning.

Hon. G. C. MacKinnon: I think it should be "motor-vehicle".

The MINISTER FOR RAILWAYS: It may include lambrettas; I do not know because I am not an authority on the subject. But I understand that it is motorcars. Mr. Simpson's alternative would not be practicable. On his own figures the Government tramways and railways carry 54 per cent. of the passengers carried in the metropolitan area—they carry 54 per cent. and private operators 46 per cent.

Hon. C. H. Simpson: That is by both rail and road combined.

The MINISTER FOR RAILWAYS: The Government carries 42,000,000 passengers and 35,000,000 are transported by private bus companies. Of that figure almost 12,500,000 are carried on the railways. I do not think any city in the world has taken its railway passenger services out of the heart of the city; in fact, in most cities those services have been increased, and in many places country passenger services have been discontinued.

Hon. C. H. Simpson: They increase them at the expense of the private operators.

The MINISTER FOR RAILWAYS: It all depends on the way one looks at it. The railways were constructed long before motorcars were invented.

Hon. J. M. A. Cunningham: The same railways as are running now.

The MINISTER FOR RAILWAYS: And the railways were able to move people in much larger numbers in the metropolitan area than they do today; they carried nearly 16,000,000 passengers in 1927 or 1928.

Hon. C. H. Simpson: At a big loss.

The MINISTER FOR RAILWAYS: No, at a profit. They always showed a profit on revenue over operating expenses until 1947. When the Government changed in 1947 the railways went bad. That information is to be found in the annual reports, and the railways were woeful for the five or six years while the previous Government was in office. All that information is in the report I tabled today.

It would not be practicable to take the railway passenger services out of the city and throw the 12,500,000 people who are now carried by the railways on to road transport because it could not handle them in the city. The congestion is bad enough

now; and that is one of the reasons why more people are travelling on the railways. The hon. member asked what would happen when the parking meters were put into operation, and we had fringe parking areas. I would say that more people will travel by public transport, whether it be private or Government. I may be wrong because I am not an authority on that subject; but that is how I feel about the matter.

Hon. G. Bennetts: A big percentage of railway passengers would be travelling on concession fares.

The MINISTER FOR RAILWAYS: A big percentage of railway passengers are paying the full fare. It has been said that the fares are too low, and that they should be increased. I remember when the reverse was the position and I mentioned it by way of interjection the other night. We had exactly the same pressure applied to the Transport Board to increase tram fares after I became Minister in charge. I did so; and what happened? We lost thousands of customers and received £2,000 or £3,000 more in takings. But what happened in one section where the private operators pressed for a fare increase? We increased the fare by 4d., and they increased it by 2d., making their fares 2d. less than ours.

Do not let members run away with those ideas. If everything was kept uniform it would be all right. To force everybody who travels by rail to pay more simply because those who have competed with the railways, and who have taken customers away from the railways are getting into a mess, to drive those customers back to the private operators, is not logical.

Hon. H. L. Roche: They are losing millions now.

The MINISTER FOR RAILWAYS: The railways would lose another £250,000 if that were done. It is the same as Woolworths and Coles, and the other big stores in the city which have a big turnover. Mr. Simpson knows very well that there is plenty of room in the trains to carry more people. It would cost no more to run them with extra passengers than it costs now.

Hon. L. A. Logan: The same would apply to the buses.

The MINISTER FOR RAILWAYS: Exactly the same. But many people who live near the railway prefer to travel by train because it is a good fast service these days. Mr. Jones, and many other members spoke of the private motorist who picks up passengers going to work. It was suggested that something should be done to restrict such people.

Hon. G. Bennetts: I pick them up myself.

The MINISTER FOR RAILWAYS: I do not know how it could possibly be done. He might be picking up his friends; no doubt he does. That scheme originated

during the war years when petrol was rationed. A man who happened to be living in a particular building would use his car for a week, or a month, as the case might be, and convey three or four passengers to their place of work. At the end of the month somebody else would use his car, and so it would go on. That has continued to be done even today, and I cannot see how we can control it.

Mr. Diver's proposal both amused and amazed me. The hon. member does not believe in price control, but he asks why taxis should not have their prices fixed. That is rather surprising. Why should we penalise anybody who uses taxis? What has gone wrong with the thinking of the members of the Opposition in relation to private and free enterprise?

Hon. A. R. Jones: He wants to stop them picking up of four or five passengers.

The MINISTER FOR RAILWAYS: Does not the hon. member often bring a friend down?

Hon. H. L. Roche: He hasn't got a friend!

The MINISTER FOR RAILWAYS: We have heard some ridiculous suggestions put forward as solutions to the transport problem in the metropolitan area. To those materially or financially interested in metropolitan transport the only solution is an overall trust, or body, that will co-ordinate transport in that area, and will not allow dead running, and running side by side along the same street.

Hon. L. A. Logan: Why can't the Transport Board co-ordinate it?

The PRESIDENT: Order!

The MINISTER FOR RAILWAYS: Unfortunately, instead of the board co-ordinating the transport, in recent years it has been dislocated. I remember the time when we had the "Blue Bird," the "Marion Bell," the "Irish Lass," and the rest of them running between Perth and Fremantle. The fare was 2s. 6d. a single ticket. Very often one got here quicker than the train. The fare on the train was only 10d. But those services I have mentioned were a novelty and they were used a good deal. After those buses amalgamated they were not allowed to pull up within so many yards of a railway station; they were not allowed to stop on a tramline; and so on.

But what happens today? They pull up right alongside the railway station. There is no co-ordination between the services; only dislocation. Instead of the Government-owned railways and tramways being able to hold their own, they have been bled to death. But the private operator today can see the writing on the wall, and he will be quite pleased to get out.

Hon. N. E. Baxter: And be compensated.

The MINISTER FOR RAILWAYS: Yes, and be compensated. But there again it would appear that it is a different proposition, when Mrs. Smith, who happens to have a small shop around the corner is forced out by a large store that happens to open next door. She gets no compensation. Members opposite do not seem to consider that. There are hundreds of such cases in the city area yet no concern is expressed about them. The Government realises that these bus people need compensation and is prepared to compensate them, because it has its own interests to protect.

If this Bill is defeated, what will happen? Some of the private operators may go on operating for ever—and I hope they can—but there are those whom we know will either have to curtail their runs or go out of business altogether; or they will have to be subsidised by the Government to enable them to carry on.

Hon. C. H. Simpson: And why not?

The MINISTER FOR RAILWAYS: What is the difference between socialism as the hon. member sees it and that?

Hon. C. H. Simpson: You have to find millions of pounds capital in one case; whereas the private operators provide it themselves.

The MINISTER FOR RAILWAYS: They would fold up if the Government did not subsidise them. They must have a margin of profit for depreciation and replacements and so on. What has happened in the case of the Australian National Airways?

Hon. C. H. Simpson: I have not the faintest idea.

The MINISTER FOR RAILWAYS: The hon. member does not read the papers? There is a first-class example if anybody wanted one. These people started off and were subjected both to Government and private competition. They got into difficulties and the Government gave them millions of pounds to modernise their service. They rationalised the mails—they were given half the mails instead of T.A.A. carrying the lot.

What happened? We found that Ansett, which started with a taxi business finished up buying A.N.A. out. The company was subsidised by the Government, and that was why it got out. It felt that the Government was making up the losses and it could not go broke, because the business was on a cost-plus basis. But it did. There is a glaring example of what a Government subsidy could do in relation to private industries.

Hon. L. C. Diver: That is in competition.

The MINISTER FOR RAILWAYS: They become worse than the Government departments; they become irresponsible.

Hon. J. Murray: They must be bad.

The MINISTER FOR RAILWAYS: They are. There are other examples which do not deal with transport, and I probably would not be permitted to cite them. Sir Charles Latham wanted to know the position in regard to the 1s. diesel tax; and I would point out that the Government does pay the 1s. tax on dieseline, just as private operators do, but only for its road service. The railways have road buses and use dieseline. The railways and the tramways are in the same position as private bus operators.

Hon. Sir Charles Latham: Why do they pay it in the metropolitan area when they are not party to the distribution of the petrol tax? There is not much spent in the metropolitan area except for special jobs.

The MINISTER FOR RAILWAYS: They all pay the tax, and the Government is in the same position. The only ones that might escape the diesel tax are the primary producers under certain circumstances.

Hon. C. H. Simpson: Country road services?

The MINISTER FOR RAILWAYS: The tax is primarily to pay for the construction of roads. The railways pay tax for their dieseline, and they have to pay for the construction of their own railroads.

Hon. Sir Charles Latham: The city pays for the construction of its own streets.

The MINISTER FOR RAILWAYS: Yes, the public pays. The hon. member said that diesel railcars cost 10s. 6d. to run. That is the cost of maintenance, signalling, telephone communication, and everything else; it includes all overheads, which are pretty high, and that is where the difference lies. I have explained how the diesel tax is applied and I will conclude by saying that members who are undecided as to how to vote should give the matter careful thought, because it means a tremendous lot to the Government. It also means a tremendous lot to the omnibus operators and to those people who have to use those services.

Hon. L. A. Logan: Which union would take over trust employees?

The MINISTER FOR RAILWAYS: That would be a matter for the Arbitration Court to decide; not for Parliament or the Government.

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

Ayes	.....	13
Noes	.....	13
A tie	.....	0

Ayes.

Hon. G. Bennetts	Hon. Sir Chas. Latham
Hon. E. M. Davies	Hon. F. R. H. Lavery
Hon. G. Fraser	Hon. H. C. Strickland
Hon. J. J. Garrigan	Hon. W. F. Willesee
Hon. W. R. Hall	Hon. F. J. S. Wise
Hon. E. M. Keenan	Hon. J. D. Teahan
Hon. G. E. Jeffery	(Teller.)

Noes.

Hon. N. E. Baxter	Hon. J. Murray
Hon. J. Cunningham	Hon. H. L. Roche
Hon. J. G. Hislop	Hon. C. H. Simpson
Hon. A. R. Jones	Hon. J. M. Thomson
Hon. L. A. Logan	Hon. F. D. Willmott
Hon. G. C. MacKinnon	Hon. A. F. Griffith
Hon. R. C. Mattiske	

Pair.

(Teller.)

Aye.

No.

Hon. R. P. Hutchison	Hon. L. C. Diver
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The PRESIDENT: To enable the Bill to be further debated in Committee, I give my vote with the ayes.

Question thus passed.

Bill read a second time.

In Committee.

Hon. W. R. Hall in the Chair; the Minister for Railways in charge of the Bill.

Clause 1—agreed to.

Clause 2—Commencement:

The MINISTER FOR RAILWAYS: We have been presented with a number of amendments which, had they been put on the notice paper, would have enabled us to study them. As these amendments begin with the next clause, I would move that progress be reported and ask the hon. member to place his amendments on the notice paper.

Hon. C. H. Simpson: There is only one amendment really.

Progress reported.

BILL—TOWN PLANNING AND DEVELOPMENT ACT AMENDMENT (No. 1).

Received from the Assembly and read a first time.

BILL—SWAN RIVER CONSERVATION.

Second Reading—Defeated.

Debate resumed from the 22nd November.

HON. J. G. HISLOP (Metropolitan) [9.4]: It is to be regretted that one has not longer to discuss this measure, because it is one of great importance to the whole of the State, and not only to the people of the metropolitan area. The Swan River is one of our great assets and one of our tourist attractions. It is certainly essential for the life of the community; and the preservation of the river is of vital importance to all concerned in the carrying on of industry of almost every sort within this State.

It is extraordinary that we are presented with a Bill of this size and importance at such a late stage of the sitting, when the Swan River Reference Committee made its report in 1955. Surely the departments in charge of this Bill must have had this matter in mind before the commencement of this session of Parliament!

The question of pollution of this river has been, as the Minister said when introducing the Bill, one of considerable interest ever since the white man settled on its banks. There have been, from time to time, many views expressed as to where the pollution came from and many complaints about odours arising from the river. Whether the question has ever been settled as to what causes the algae to grow, die and then smell; and whether it has ever been proved satisfactorily whence comes the pollution, it is very difficult to say.

The Swan River Reference Committee in its report in 1955 presented some very interesting statements in regard to the river and its care and maintenance. Therefore, it might be of interest to read a quotation from the report of the inter-departmental committee dated August, 1952, on the pollution of waters in New Zealand. After summing up the evils of unnecessary industrial waste pollution, the report continues—

On the other hand there is need for appreciation by the community of these points:—

- (1) That the contamination of great quantities of water in industrial processes is unavoidable.
- (2) That, in general, fluid wastes from industry must be discharged to inland or coastal waters.
- (3) That natural waters, by dilution and bio-chemical processes, can assimilate reasonable quantities of industrial waste liquors.
- (4) That restraints on industry should be the minimum restraints necessary to safeguard the interests of different sections of the community in the waters to which the wastes are discharged.
- (5) It would be harmful to industry directly—and indirectly to the country's economy—to impose harsh restraints on industry by sudden legislative process. Any change to be fair and effective, should allow reasonable time for remedial measures.

I think it is on that basis that this Bill must be looked at. In all the years I have been in Parliament, I do not remember any measure which has created greater public interest; and certainly I have not seen any Bill introduced here which has caused so many people to telephone the person taking the adjournment of the debate after the introduction by the Minister. My telephone has been going continually since Friday and it is interesting to realise the number of people and

varying interests that have displayed concern about some of the provisions contained in the Bill.

In general, it is accepted that the principle it contains is good and if properly handled, could react to the benefit of the river and the people of the State. However, there are features of the Bill which can prove to be very difficult. I have had telephone calls from Mr. Viv Keane who must have spent most of the last 20 years concerning himself with the pollution of the river. He has some very pertinent statements to make about it; and, from time to time, many questions have been asked in Parliament concerning reports of the departments, which conflict at times with Mr. Keane's views.

I must apologise for the fact that in the time available I have not been able to completely digest the Swan River Reference Committee's report, nor to study the Hansards as Mr. Keane would have liked me to do, because there have been so many other interested parties who suggested amendments; and the time has passed without any concerted effort on my part to make a final analysis as to the form in which this Bill should be passed.

Sections of the community have expressed considerable interest and concern that they have been left out of this Bill, particularly the Chamber of Manufactures which feels with its colossal interests in the Swan River it should have some say in the decisions made by any authority set up for the river's control. In addition, there are sporting activities which also have very large sums invested. It is estimated that the yachting clubs must have more than £1,000,000 as a vested interest in the river. Not only are they interested in the river, but they have a considerable interest in the foreshores where their yacht clubs are built.

Therefore, I feel this is a Bill which might well wait over this session in order to allow Parliament to have a look at it next year and, if necessary, call together the interested people in order to design a good Bill. I realise that if every section of the community interested in the Swan River is to be represented on either the board or the advisory committee, then there will be a great deal of difficulty in arriving at a reasonable size for either of these two bodies contemplated under the Bill.

One of the things that has interested me is the Minister's statement, when introducing the Bill, that the Swan River Reference Committee's report is a very good one. However, the Government did not accept the suggestions which the committee made in regard to the organisations it felt were necessary for the proper maintenance of the river; and it seems to me that it has inverted the suggestions made

by that committee. Members who the committee suggested should sit on one body have been made by the Government to sit on the other.

Having read the Bill carefully, I am not certain whether the advisory committee or the board will have the greater power. In the main, the board and the committee will have a very heavy preponderance of Government appointees. It would appear that the man in the street and the man on the river have been rather neglected by comparison with those representing Government services. That is probably what one must expect in a Bill of this nature; because there will, of course, need to be a lot of technical advice given by at least one of the committees—and no doubt the advisory committee—as to measures which should be taken for the preservation of the foreshores and to ensure the cleanliness of the river.

I have a chart dated 1951. I do not know whether members have seen this chart of the chemical and biological investigations of the river which apparently take place monthly. The chart is produced by the Public Works Department, and it certainly takes a great deal of understanding. There is no doubt that the technical advice of the departments will be essential to any board set up to control the river.

I have a large number of amendments to suggest to the Bill. First of all I suggest that the definition of "to pollute" should be enlarged to mean to discharge these things without departmental permission. As I said at the start, the idea behind the Bill is to ensure that what is allowed to go into the water can be adequately controlled by the flow. Simply to make a plain statement that to discharge anything at all in the way of effluent is to pollute, is quite wrong. Therefore we should provide that pollution is caused only if the effluent is poured into the waters without departmental permission.

The next difficulty arises in connection with the 14 officers, other than the chairman, to be appointed to the board. The Perth City Council is going to meet a considerable proportion of the expenditure that will be placed before the local governing bodies. Therefore it is felt that it should have more adequate representation than is proposed in the Bill.

The Bill provides that at least one of these persons shall be a qualified civil engineer and that one at least shall be a representative of the council of the City of Perth. The Perth City Council is of the opinion that it should, in addition, be able to appoint a technical officer to this board and also to the advisory committee. The Bill provides that on the advisory committee there shall be the Chief Engineer of the Metropolitan Water Supply, Sewerage and Drainage Department,

the Commissioner of Public Health, the Director, Government Chemical Laboratories, Director of Works, and so on.

In front of all these people we have one person, a member of the board, representing the interests of the local authorities. On that advisory technical committee, this one individual would have very little chance of understanding the technical work that was being done. So he could not bring back to the local authorities, in any true sense, the deliberations or the findings of the committee. Therefore the individual who sits on the advisory committee would be of much more use to the local authorities were he able to join in the technical discussions with the other members of the committee.

The Perth Chamber of Commerce and the Perth Chamber of Manufactures also feel that they should have representation on this board because they believe they will have such a vital interest in what is decided, especially when it is realised that the functions of the board include the authority to formulate and promulgate schemes for co-ordinated action in the abatement, control and prevention of pollution, etc. As these schemes will apply to the owners and occupiers of land and so on, they feel they should be able to place their views, not before the board, but by representation of one of their members sitting in conclave with the other members of the board.

I could mention all sorts of amendments that have been suggested. But one of the features that no one likes in the Bill is the permission for deputies to be appointed to act for members of the board and, I think, for the advisory committee.

Hon. E. M. Davies: What is wrong with that?

Hon. J. G. HISLOP: If these people are appointed for their technical knowledge, why should deputies be allowed? Whilst heads of departments are suggested, it is possible that deputy heads will be sitting on the board in almost every instance. Yet these are going to be the people who will make wide decisions in regard to the future of the river and the industries established along its banks. The general expression of opinion is that there should be changes in this portion of the Bill.

I read out that the functions of the board were to promulgate these plans, but they are not to be carried out at the expense of the board but at the expense of those concerned in them. I doubt whether it is wise to include in the functions of the board, plans and schemes for the beautification of the land and foreshores, because that does not seem to be very much a part of the plans of the board or the advisory committee.

If one looks at the personnel, one will find that there is a representative of the Town Planning Commission sitting on the board contemplated by the Bill; but he

takes no part in the technical advice. It would seem to me that it is in connection with technical advice that he is wanted. I wonder to what extent these smaller communities could face up to suggestions that might be made in connection with the beautification of the shores of the river.

Some of the local government areas lying along the river have small populations and a large length of river bank to look after. The Swan Road Board has a population of about 7,000 people and about 5.5 miles of river bank on the Swan and 6.6 miles on the Helena. Melville, with a population of 23,000, has 9.1 miles of river bank on the Swan and 3.43 miles on the Canning—a total of 12 miles of river bank; whereas Perth, which has 100,000 people, has only 8.41 miles of river bank. So when it comes to schemes which might be worth while, it is doubtful whether any of these local authorities would contemplate carrying them out.

There is no use wearying the House with the number of amendments I contemplate putting on the notice paper, because they are so much of a Committee nature that they can be considered at that stage. I feel that the board and committee should be subject to the customary procedure of holding meetings and keeping minutes, etc. This is going to be an important board and an important advisory committee, and the minutes of the meetings should be kept.

The Bill provides that the board's papers need be kept for only 12 months; that the board may dispose of its papers, with the consent of the Minister, after 12 months. In the interests of the future, the decisions of the board should be preserved for a much longer time.

On the question of deputies, and even employees, the position becomes difficult when we allow deputies to do certain things. It seems that when someone does commit a misdemeanour, some most extraordinary action can be taken by these persons. The Bill provides—

A member or his deputy, employee, or servant, of the Board, or a member of the Police Force of the State who finds a person committing or attempting to commit, or who on reasonable grounds suspects a person of having committed or attempting to commit, an offence against the provisions of this Act, may demand from the person his name and place of abode.

Surely that individual should be made to produce some authority for requesting the name of the suspected person. The Bill further provides—

A person who gives or is suspected of giving a false name or place of abode to the person making the demand may without other warrant than this Act be apprehended by the person making the demand and taken before a justice to be dealt with according to law.

This individual need not even show his authority. The Bill in that way wants tightening up. Such a number of amendments have been suggested to me that I shall put them on the notice paper.

There is just one more remark that I would like to make before I conclude, and this concerns Clause 44 at page 30 of the Bill. The yachting clubs are concerned because, under this clause, their leases could not be renewed by the National Parks Board—particularly at Perth. The board could not agree to or grant an extension of the lease without the authority of this reference committee and I think an amendment is necessary there, as these people have large sums of money at stake and have a great and continuing interest in the river. Although they think this is a good measure, they feel it requires the close consideration of members and I think the views of all concerned should be taken into account by the Minister. I support the Bill.

Hon. L. C. DIVER: I move—

That the debate be adjourned till the 12th August, 1958.

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

Ayes	....	....	....	....	14
Noes	....	....	....	....	13
					—
Majority for	....	....	....	....	1
					—

Ayes.

Hon. N. E. Baxter	Hon. J. Murray
Hon. J. Cunningham	Hon. H. L. Roche
Hon. L. C. Diver	Hon. C. H. Simpson
Hon. J. G. Hislop	Hon. J. M. Thomson
Hon. A. R. Jones	Hon. H. K. Watson
Hon. G. MacKinnon	Hon. F. D. Willmott
Hon. R. C. Mattiske	Hon. A. F. Griffith

(Teller.)

Noes.

Hon. G. Bennetts	Hon. F. R. H. Lavery
Hon. G. Fraser	Hon. H. C. Strickland
Hon. J. J. Garrigan	Hon. J. D. Teahan
Hon. W. R. Hall	Hon. W. P. Williesce
Hon. E. M. Heenan	Hon. F. J. S. Wise
Hon. G. E. Jeffery	Hon. E. M. Davies
Hon. Sir Chas. Latham	

(Teller.)

Pair.

Aye.	No.
Hon. L. A. Logan	Hon. R. F. Hutchison

Question thus passed.

Bill defeated.

BILL—UNFAIR TRADING AND PROFIT CONTROL ACT AMENDMENT.

Second Reading.

Debate resumed from the 22nd November.

HON. G. C. MacKINNON (South-West) [9.35] It is a pity that the Minister, when introducing the measure, did not hand us his speech nicely written in script and framed; because, as the introduction of an important measure, it certainly would have

made a good illuminated address to Commissioner Wallwork. When dealing with legislation of this nature I think we are entitled to be told not how clever the commissioner has been in the management of the Act, but how and where improvements have been made in the general trading and affairs of this State; and how, in particular, the cost of living index has been reduced by means of the legislation; in short, just what value the public have received from the expenditure of upwards of £20,000 of public money.

I recall some member last session defining this legislation as a party measure and even though it may be legislation for the furtherance of a particular policy, I think we could expect to find this Bill more carefully framed and more carefully explained. There are a couple of amendments listed on the notice paper, but before dealing with them I will examine the working of the Act over the past 12 months, as mentioned by the Chief Secretary. First of all, there was his eulogy of Mr. Wallwork; but in all fairness, what would we have expected a man, who we agree is a person of intelligence and integrity, to do?

Had anyone utilised the tremendous powers that are written into this Act, the public outcry would have been such that no Government would have brought down a continuance measure.

Hon. L. C. Diver: No one has worried about it.

Hon. G. C. MacKINNON: I think that statement is wide of the mark. There has been a certain amount of intelligent comment about the bad effect this law has had on the trading life of the community and the waste of money involved, but we have not had an upsurge of violent opinion from the rank and file of the people, simply because the powers vested in the commissioner have been used with a great deal of restraint. In the investigations that have been conducted he has found very little that he could have hit with a stick of any size and so the legislation has proved to be very much of a fizzle, and the terrific so-called boost to the integrity of this State, which the Government hoped to give by means of this legislation and which Mr. Diver and Mr. Roche hoped to give by their support of the Government on that occasion, has come to nothing.

Those members say, and the Chief Secretary has told us, how intelligent Mr. Wallwork has been. Admittedly we are fortunate in having a man of that calibre in this position, as it would take a most intelligent man to make sense of the Act. We have heard that part of the results of the commissioner's investigations has been that he has issued some certificates and I would like the Chief Secretary, when replying, to tell us what certificates were issued.

My understanding is that these certificates have done little but strengthen the position of various firms in the establishment of fixed retail prices and in prohibiting the selling of their commodities below those fixed minimum prices. I think it is reasonable to ask the Chief Secretary what these certificates are; whether they have reduced the cost-of-living index in this State; and, if so, to what extent; or whether, as I suspect, they have merely established a minimum price to consumers. The Chief Secretary might also tell us whether these certificates are worth the £20,000 of public money that has been spent—

Hon. W. F. Willesee: There has been £20,000-worth of prevention alone.

Hon. G. C. MacKINNON: About 10 minutes' investigation would disprove that statement. We are told that the commissioner is carrying out his duties in accordance with the intentions of the Act; but as we spent weeks trying to discover what its intentions were, either this man is extremely intelligent or else he must have divine guidance. We are told that a very happy situation has arisen regarding the handling of cases and that the commissioner investigates a case and refers it to the Crown Law Department, in order to see whether there is a case. When Crown Law says an offence has been committed the man concerned is approached and everything possible is done to settle the matter out of court. How ridiculous can we make the law of this State?

We were told a dozen times in this Chamber, by members who supported the original measure, that nothing was too terrible for the types who were running business enterprises in this State, because they were doing terrible things; yet now they say to them, "We are pretty sure you have committed a crime, but if you promise not to repeat it we will do nothing about it." If that is not a fair interpretation of what the Chief Secretary said regarding what has happened, I would like him to tell us what is.

Several specific cases have been illustrated for us and I take it we are entitled to expect that they are the worst and most glaring offences that the commissioner has been able to unearth during his period of operation under this Act. They are the ones that are used to illustrate the terrible things we are told go on in this State. Mention was also made of tyres, and we were told that a large manufacturer sold his tyres at a special discount to a wholly-owned subsidiary in a country town.

That is quite true. That manufacturer sold his produce at that special price for a week only to meet competition from another manufacturer who had granted additional discounts to another retailer in the same town. The manufacturer supplied all the information to the unfair

trading commissioner in connection with his range of discounts, etc., and was able to demonstrate to the commissioner that the incident represented only a temporary price war. Nothing further has been heard of this for five months.

We all know that price wars have gone on in the past and will continue to do so as long as there is trading. We all know that various stores hold sales and put out specials on certain days. We would all be entitled to growl if our wives did not take advantage of them from time to time. The object of this Bill is to eliminate that type of trading. Is that going to make matters any better for the people of this State? I cannot see it myself.

Mention was also made of picture theatres. In regard to this industry it is interesting to have a glance at the following paragraphs from the report by the Royal Commission on Restrictive Trade Practices:—

Evidence was given by a group of exhibitors for the licensing of motion picture theatres and the divorcement of the producer and distributor companies from the exhibition field but other evidence indicated a sharp divergence of opinion on these subjects.

It is apparent to the Commission that if these matters are to be more closely examined then inquiries would have to be made on a much wider scope on a Commonwealth-wide basis.

Evidence made it quite obvious to the Commission that in view of the circumstances outlined above it would be unwise to make any recommendation on the matters raised. In consequence the Commission did not pursue its inquiries to the extent that it would otherwise have done.

Those are the findings of the Royal Commission. Obviously, any attempt to deal with the affairs of the motion picture industry—which have been proceeding for some considerable time—would virtually need legislation on an international basis.

So is it worth having this legislation placed on the statute book in order to handle the motion picture industry in regard to which the Royal Commission made it quite clear that it could not be handled by any legislation passed in this State? The Royal Commission stated that the affairs of this industry would have to be controlled on a Commonwealth-wide basis if—and it is a big "if"—any need were shown for it to be controlled. I suggest that such a move would have to be made internationally because most of our films come from England and America.

There have been suggestions concerning yeast. This investigation was instigated by a Czech migrant. He complained

to the commissioner that he was unable to buy compressed yeast of the type used by members of the baking and pastrycook trade. Subsequently it was pointed out to the commission that compressed yeast, the subject of the complaint, is a highly perishable commodity and that the public could buy from stores dried yeast compound which was specially prepared for householders and station-owners. The general sales of this yeast which this person wanted could be measured in ounces. It is not a good keeping line and it requires special handling. Members of the retail trade have found it to be unpayable. Subsequently, the commissioner issued a direction to the three suppliers concerned that, if requested, they were to supply retail stores with compressed yeast for the use of the public. Nothing further has been heard by the suppliers of that yeast from the commissioner. Is that worth £20,000?

Let us deal now with blue metal, because we may as well deal with all of them. It is the custom of most of the large quarries, when dealing with Government contracts, to tender direct. They also sell to cartage contractors; and the particular matter that was raised in regard to blue metal was brought up by an aggrieved cartage contractor who was tendering for a particular job. The quarry company concerned had also tendered and its tender had been accepted by the Government Tender Board. The quarry company informed the commissioner of the traditional policy of the quarry company, and in this case the quarry company concerned had no further trouble. They are the cases which are handed to us and we are told that they prove conclusively that the continuation of this legislation is warranted in this State.

We are told that investigation is also proceeding in the retail grocery trade, members of which have encountered some problems. I would like to know what trade could be investigated in which no problems would be found. There are always problems to be overcome in any trade or industry; but the good man surmounts them, and the inefficient man, in the ultimate I suppose, goes to the wall. But in what way is this Bill to be the answer to the problems that beset the small grocer? I know that we are going to be told that an amendment to existing legislation will affect the small grocery store.

Hon. L. C. Diver: Don't you worry about it!

Hon. G. C. MacKINNON: I think I will worry more than the hon. member, and I think that my actions will definitely prove that I have a greater interest in my State than Mr. Diver has.

The Chief Secretary: I do pat myself on the back, don't I?

Hon. G. C. MacKINNON: There are many people of my way of thinking, and history will prove which opinion is the wisest. In any event, the Chief Secretary has produced very little evidence before this House to prove that I am wrong. I still maintain that this Bill is no answer to the problem. If the Government is genuine in its desire to protect the small shopkeeper—and the owners of these small stores are definitely fighting a grim battle for survival—the Government will probably find that such storekeepers will have a harder battle because of the tendency for the growth and development of supermarkets.

I suggest that the correct way to legislate for the survival of the small shopkeepers is to give them a greater spread of trading hours and to limit the working hours of employees to 40 per week, which would mean that the small grocer shop conducted by a husband and wife would have a much better chance of survival by this more realistic approach than the one which apparently is being taken by the Commissioner of Unfair Trading.

Hon. A. F. Griffith: Wouldn't it be a good idea to allow the small shopkeepers to handle a greater number of items in the week-end?

Hon. G. C. MacKINNON: I was going to get around to that point; and I thank the hon. member for his interjection, which is very helpful to me. The approach which the commissioner is taking, is to issue certificates here and there, fixing some minimum prices, perhaps in the fond hope that the supermarkets will be forced to limit the range of cut-price specials. However, as Mr. Griffith has suggested, we could extend the range of goods to be sold by the small shopkeepers at the week-ends.

Hon. A. F. Griffith: The Government destroyed a move in that direction.

Hon. G. C. MacKINNON: We could permit them legally to sell many articles which today hundreds of people are attempting to buy at the week-end and are thus breaking the law. They make these purchases in the small stores at the week-end or at least they sometimes attempt to buy these goods, and I think there is every justification for the Government to legalise this trade. Further, the worker could be adequately protected by limiting the hours which he works to 40 a week irrespective of the spread of hours allowed to the store. It seems to me that we are being asked to continue this legislation mainly on the ground that Mr. Wallwork has been impartial.

I am amazed that that is considered to be a fair and reasonable ground to keep on the statute book a piece of legislation of this type, because this is the only State in Australia where such legislation exists, despite the fact that at least two other

States, where the Government has a majority and could have put this sort of legislation on the statute book—especially in one State where there is only one Chamber—have not done so. I maintain that there are many reasons why a request for the continuance of this legislation should not be granted.

On this occasion I sincerely hope that Mr. Diver and Mr. Roche will agree with me. I feel it is time that we, in this State, forgot the silly idea that industry is the big bad wolf in the community and at least give it some credit for the part it plays as an employer and to the value it has been to the development of the State by making finance available for the growth of industry. Also, we should take into consideration the fact that this legislation has not done this State any particular good, especially at this time, when we are badly in need of capital for developmental purposes.

The Chief Secretary: The attitude of a lot of other people has not done this State much good, either.

Hon. G. C. MacKINNON: That is a matter which has been raised often. We are entitled to have an attitude towards this Bill, because when one picks up a newspaper circulated in other countries one may find comments about this legislation. If it is discussed in other parts of the world, surely we as members would be remiss if we did not mention the matter here. I have here a cutting from the "Financial Times" of London, dated the 13th November, 1957—

Mr. Halford Reddish, chairman of Rugby Portland Cement, told "The Financial Times" yesterday, following his return from Perth (Western Australia), that he had decided not to proceed for the time being with his firm plan to expand the operations of the West Australian subsidiary, Cockburn Cement Pty.

His reasons for the decision were due to the "unfair trading legislation" of the State Government.

He expressed the view that State legislation was preventing people from investing capital in Western Australia and this was holding back industrial development, which the State urgently needed. This, in turn, would have meant an increased demand for cement.

Mr. Reddish is a responsible person. I have no doubt that he did not take the Chief Secretary entirely into his confidence and inform him what he had in mind. I suggest that any person who has been as successful as Mr. Reddish warrants a little better treatment than the type of laughter which greeted the comments a few moments ago. I have also here another article by the same gentleman in regard to this matter, yet we are told that we have

not the right to criticise this type of legislation. I have not heard of such rot in all my life. So much for the general terms of the Bill.

I would like to draw attention to the amendments contained in the Bill; for this is not merely a continuance measure. The first is in Clause 3(d). In referring to the brief explanation of this measure by the Chief Secretary we come up against the same comments which we heard last year—that this amendment is not aimed at any particular firm or person. Not only that, but we are not told what it is all about. There is not even a definition of offences. It is fundamental in any law that an offence has to be clearly defined. We heard enough about that point last year. It seems that the Government is following the same procedure in this instance.

Indeed the whole of that interpretation would require the services of a Philadelphia lawyer to make any sense of it. I would be extremely grateful to hear a detailed explanation from the Chief Secretary as to its meaning. As the Chief Secretary does not like to mention names of firms, he can use a hypothetical case to illustrate what he has in mind. When I say that I find difficulty in following the measure I am by no means an orphan. There are many smart people in this city who have just as much difficulty in following it. They can put different interpretations on it, and some of the interpretations are indeed worrying.

Hon. H. K. Watson: What is the clause?

Hon. G. C. MacKINNON: It is Clause 3 (d) (ii), which says—

being a party, whether as seller or purchaser, to a sale by or to a person engaged in trade, commerce or industry, that discriminates, directly or indirectly against competitors of the purchaser, in that a discount, rebate, allowance, price concession, or other advantage, is granted to the purchaser over and above any discount, rebate, allowance, price concession, or other advantage, available at the time of the sale to the competitors in respect of a sale of goods of like quantity and quality.

In some instances it could happen that a trade discount would become illegal; and if a trader gave one rate of discount to a person on one occasion, and then a different rate on another occasion, that act could be illegal. That could take place depending on the quantity of goods purchased.

There are also other worrying factors in regard to that provision. It is mentioned that special discounts are allowed to purchasers from co-operatives. As the clause stands, the provision could be used against any co-operative store in the State. It might transpire that in his wisdom Mr.

Wallwork would not do so, but it could also happen that Mr. Wallwork might not be commissioner for all time.

Once a Bill gets to the second reading stage it should be made workable to some degree; but this Bill would require much to make it workable. I would like the Chief Secretary to give a detailed explanation of this clause, to which I think we are fully entitled.

We are all familiar with some businesses which sell articles requiring after-sale service, such as a refrigerator. It might happen that a wholesaler sold a particular line to one firm which simply sold those articles without the need for installation or after-sale service. In that event, the wholesaler would allow a certain discount. Another firm might be prepared to take over the sale as well as the servicing of those articles, and obviously it would be entitled to a greater discount. Very often this type of transaction is governed by the rate of discount, yet under the Bill varying discounts automatically become illegal. That is not reasonable; in fact, the whole Bill is unreasonable. Nothing apparently would be achieved by proving it to be unreasonable.

One other matter might occasion some thought. It is very doubtful whether any action can be taken against a firm which manufactures an article in one of the Eastern States and which is prepared to supply that article to the market in Western Australia. Having sufficient capital it might feel disposed to set up a plant in this State. In the face of this legislation it could very justly be entitled to extend its existing plant in the Eastern States rather than set up a subsidiary here.

Hon. H. L. Roche: It could not in Queensland.

Hon. L. C. Diver: Yet you told us that a firm was spending £500,000 to set up a branch here.

Hon. G. C. MacKINNON: The other amendment in the Bill separates the functions of the investigator from those of the commissioner. The explanation given by the Chief Secretary was, "That experience had revealed that it is advisable to effect such a separation." That is the greatest earth-shaking discovery of the century! We should bear in mind that the commissioner occupies a judiciary position. He carries out the function of a tribunal. Once the investigation has taken place his functions are judicial. In essence the amazing discovery that has been made is that the investigatory powers and the judiciary powers should be separated. That, however, has been a fundamental principle of the British system for a very long time.

Hon. A. F. Griffith: We told that to the Government last year.

Hon. G. C. MacKINNON: We have told that to the Government on many occasions. Now it has listened to us.

The Chief Secretary: You should be pleased.

Hon. G. C. MacKINNON: I would be more pleased if the Government were to carry out the logical outcome of its momentous discovery—that is, let Mr. Wallwork continue his investigatory powers if the Government must have the Bill, and treat the rest of it through a properly constituted court; or at the least constitute Mr. Wallwork in his proper capacity as a judiciary officer and remove him from ministerial control.

Hon. A. F. Griffith: That is what we tried to tell the Government last year.

Hon. G. C. MacKINNON: We have often tried to do so. We are told that these amendments are very worth-while because the provisions already exist in England, in the U.S.A. and in Canada. The Chief Secretary did not elaborate on that statement. He did not tell us that in Great Britain the people concerned go before a court. He did not make any effort to give us an interpretation of the U.S.A. laws on these matters. I defy him to give one.

They are so mixed up that they do not know where they are going. I would like to know whether the Chief Secretary had a look at the same type of legislation in China, India, Persia, Egypt and a few other places. I have endeavoured to deal with the general working of the Act as explained by the Minister. I had to take the bald statements from the Minister's speech.

Hon. H. K. Watson: The Minister did not say why they tabled one Supreme Court judgment and not the other.

Hon. G. C. MacKINNON: No. He told us very little indeed. He mentioned important commodities such as tyres, tubes and batteries and dealt with them in five or six lines, and he dealt with blue metal in five or six lines.

Hon. A. F. Griffith: Does the Bill take out the right of entry?

Hon. G. C. MacKINNON: No. There are only two amendments in the Bill. I maintain that the results achieved have not justified the spending of £20,000 of public money on this matter; and on that ground alone the Bill should not be continued. The amendment dealing with discounts is most difficult of interpretation. We are indeed fortunate that the commissioner is a man of outstanding impartiality and intelligence for he will need to be very clever to interpret this provision.

The other amendment is fundamental, but I do hope that the Government will carry its logic just one step further and either set up Mr. Wallwork in his proper judicial capacity, relieved from ministerial

control, or put him into his other proper capacity of investigator, and pass these matters through the court. For the reasons I have enumerated, I sincerely hope the House will not support the continuance of the measure.

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

Ayes	14
Noes	13

Majority for 1

Ayes.

Hon. G. Bennetts	Hon. H. L. Roche
Hon. L. C. Diver	Hon. H. O. Strickland
Hon. G. Fraser	Hon. J. D. Teahan
Hon. J. J. Garrigan	Hon. W. F. Willessee
Hon. W. R. Hall	Hon. F. J. S. Wise
Hon. E. M. Heenan	Hon. E. M. Davies
Hon. G. E. Jeffery	(Teller.)
Hon. F. R. H. Lavery	

Noes.

Hon. N. E. Baxter	Hon. R. C. Mattiske
Hon. J. Cunningham	Hon. C. H. Simpson
Hon. A. P. Griffith	Hon. J. M. Thomson
Hon. J. G. Hilslop	Hon. H. K. Watson
Hon. A. R. Jones	Hon. F. D. Willmott
Hon. A. L. Loton	Hon. J. Murray
Hon. G. MacKinnon	(Teller.)

Pair.

Aye.	No.
Hon. R. F. Hutchison	Hon. Sir Chas. Latham

Question thus passed.

Bill read a second time.

**BILL—MIDLAND JUNCTION-
WELSHPOOL RAILWAY.**

Second Reading.

Debate resumed from the 20th November.

HON. A. F. GRIFFITH (Suburban) [10.21]: The Bill contains two small clauses and a schedule. I suppose because it is so small I should have taken some note of the objection made by the Chief Secretary when he complained that I had asked for the adjournment of the debate for a period of five days.

I would like to say to the Chief Secretary that it was about August, 1955, when Press reports first indicated the Government's intention of establishing the marshalling yards in the Welshpool area. We were then told that it was envisaged that some 4,000 acres of land would be taken up under the scheme. The Government had more than two years to bring down a Bill to give effect to the proposals contained in the report, yet it complained through the Chief Secretary because I asked for an adjournment for five days in order that I could take the Bill to the people who would be affected, and have some conversation with them concerning it.

I would like members to consider for a moment the people in this district. They have been living there peacefully for a number of years, and after two years' notice, the Government decides it is going

to produce the Bill. The estimated expenditure in connection with the project, we are told by the Minister for Railways, is in the vicinity of £4,700,000 made up as follows:—Connecting lines, £800,000; marshalling yards, loco depot and goods terminal, £3,500,000; resumption cost £400,000. The Minister later in his speech corrected the figure relating to resumption cost and said that it would be between £400,000 and £500,000, and he also said the project would not stop there but that other matters incidental to it would increase the cost by some thousands of pounds. The Minister said he could not say when the project would be commenced, but he did say that if Parliament authorised the construction of the line an attempt would be made in the next financial year.

As a result of an interjection I made, the Minister also said that he did not think any owners were really very worried about what was going to happen to their land. He said he had not received many complaints. I would like to draw his attention to some questions I asked him and the answers he gave on the 4th September, 1956. The following are the questions and answers:—

(1) When will the design and location plan for the Welshpool-South Belmont marshalling yards be completed?

(2) Does he appreciate the apprehension of the people in the area who are likely to be displaced?

(3) Will he take every possible opportunity of hastening the completion of the plan in order that people who are to be affected will be informed with a minimum delay?

(4) When can people who are to be displaced expect to be paid compensation?

The MINISTER replied:

(1) The preliminary design is now in hand and the overall design should be finalised within six months.

(2) Yes.

(3) Yes.

(4) As soon as possible after resumption or acquisition has been effected.

I directed a similar set of questions to the Minister for Railways on the 21st August, 1957, after we had seen in the "Sunday Times" a report to the effect that, as the heading said, "The Shift of the Marshalling Yards Will Begin Soon." I asked the Minister whether the report was correct and I reiterated the apprehension of the people in the area and drew his attention to the previous questions I had asked in regard to their apprehension.

So, in September, 1956, and in August, 1957, the Minister for Railways did know of the apprehension of the people in the Welshpool area; but when delivering his speech in Parliament five or six days ago, he said he was unaware of it. I fail to understand that situation. I am obliged to say that I think the Minister is also aware of the fact that I asked his colleague, the Minister for Works, to receive a deputation from the people at Welshpool, concerning this matter, and the Minister for Works refused to see them because he said that he could not give them any idea of what was going to take place, and that no object would be gained by meeting them.

I also asked the Minister for Railways to receive a deputation from these people; and he said to me, "Put your proposition on paper and let me have it, and I will answer it." So, on the 16th September, 1957, I wrote to the Minister for Railways in these terms—

In confirmation of my recent telephone conversation with you regarding the Welshpool marshalling yards, I have been requested by the Welshpool Mechanics' Institute to ask you to receive a deputation, to be introduced by myself, from that body in order that residents of the Welshpool district might be informed regarding the Government's intentions in connection with the construction of the marshalling yards.

Now that the final plan has been laid on the Table of the House, and many of the residents of the district affected have seen the plan, people are more anxious to know what the future holds for them. In conversation with the Minister for Works, (Mr. Tonkin) he advised that he is not interested in any land beyond that which is within the boundaries of the proposed marshalling yards, and the question now arises, of course, as to whether building restrictions now imposed in the area outside the marshalling yards—and which come within the interim Town Planning Development Order—will be lifted.

In addition, will any other land be acquired by the Government for other projects, such as markets, etc.? And if so, what will be the locality?

The question of the resumption of the land required, and when a Bill to establish the Welshpool marshalling yards will be produced to Parliament is a matter of great importance to the people of this district, because upon the Government's intentions depends the future of many of these people.

The question also arises of payment by way of compensation for the resumed land, and whilst I know that I have received from you a statement that all persons will be treated on

merit, it still leaves the Welshpool people with a great deal of uncertainty. I feel that if you will consent to receive the deputation as requested above, and talk to the people concerned and give them the opportunity to converse with you concerning the matter it might considerably clear the air. I hope you will be able to give me a date for the deputation as soon as possibly convenient to yourself.

I ask the Minister, "Did he reply to my letter and did he receive the deputation?" The answer, after all this time, is "No" to both questions.

The Minister for Railways: I answered your letter.

Hon. A. F. GRIFFITH: Telling me that you intended to introduce the Bill.

The Minister for Railways: Yes.

Hon. A. F. GRIFFITH: I hardly regard that as an answer to the queries I raised.

Hon. F. R. H. Lavery: But he answered your letter.

Hon. A. F. GRIFFITH: It was telling me that he intended to introduce a Bill.

Hon. F. R. H. Lavery: But you just said that he did not reply to the letter.

Hon. A. F. GRIFFITH: I did not. I posed this question to the Minister: "Did he reply to my letter?" and he said "Yes."

The Minister for Railways: You implied that I had not.

Hon. A. F. GRIFFITH: The Minister is wrong.

Hon. F. R. H. Lavery: He is not wrong.

Hon. A. F. GRIFFITH: Apart from the letter, in which the Minister said that he was going to introduce a Bill, I did not receive any direct information regarding the matter. The apprehension of the people concerned has been well known to the Minister for quite a long time, and I do him this justice—I know he has known of it because I have conveyed it to him as often as I could in debates on the floor of the House.

The resumption figure, referred to by the Minister, is between £400,000 and £500,000. I understand that the area of land to be resumed is in the vicinity of 600 acres which means, if these figures are correct, that the price to be paid for the land is between £650 and £830 per acre. In connection with the price of the land the Minister said—

If the estimated cost of £500,000 for the resumption is the limit, we must be thankful that there has been so little development in that area that we have been able to repurchase this land so cheaply.

The people I represent in the Welshpool area are not very pleased to know that their land is to be purchased so cheaply. They have very definite problems because the Government is taking their land. The

people in this area are not sellers of land but the Government will be the possessor of their properties.

The Minister for Railways: You know that an all-party committee agreed to this.

Hon. A. F. GRIFFITH: I am aware of that. It might be opportune at this stage to say that I do not intend to oppose the Bill. I have met the Welshpool people at meetings, and they are a reasonable lot of citizens. They do not want their land to be taken from them for the purpose of building marshalling yards, or for any other purpose; but they realise that they cannot stand in the way of progress. They have told me that they do not want me to debate or speak in opposition to the Bill; but there are certain things that I definitely want to bring to the Minister's notice—things that they do want. I think that when the Minister has heard what I have to say on their behalf he will agree that the messages I bring to him are most reasonable, and I hope that he will see, to the best of his ability, that the requests submitted by these people are agreed to.

Hon. L. A. Logan: He may tell you—
The Minister for Railways: We tell people who play politics anything.

Hon. A. F. GRIFFITH: I take it that that remark was not meant for me.

The Minister for Railways: I was talking to the interjector.

Hon. A. F. GRIFFITH: I am sure that the Minister knows that the act of acquiring land under the Public Works Act, as it exists at present, is a long process. It is not like it used to be when a notice was put in the "Government Gazette," and people who thought they owned something the day before, found the next day that they did not own it at all. The amendments which this Government introduced—and I think the Minister will agree it was done under pressure—

The Minister for Railways: No pressure.

Hon. A. F. GRIFFITH: All I can say is that the Minister does not recognise pressure when he feels it.

Hon. E. M. Davies: What happened at Kwinana?

The Minister for Railways: Those amendments were introduced by the Minister for Works.

Hon. A. F. GRIFFITH: What happened at Kwinana? The hon. member knows as well as I do that a special Bill was passed during a special sitting of Parliament.

Hon. F. R. H. Lavery: They took over people's land at £4 an acre.

Hon. A. F. GRIFFITH: It so happens that the other day I was having a look at the debates which took place on that particular matter; and the passage of the

Bill through the House, when the party that I represent was in Government, was a very easy one. The Minister will know that, because of the amendments introduced by the present Minister for Works, notice of intention to resume land must be given to an owner to enable him to object within 30 days. If he does not want to object action can be taken more speedily, and the department is in a better position to go straight ahead.

But the main trouble is always in regard to the survey, because the department can issue a notice of intention to resume but it cannot resume until the survey has been completed. Of course that process will take a long time in the case of the Welshpool marshalling yards; and we know that the notice of intention to resume has a life of 12 months only. After that time it has to be renewed. I sincerely believe that the people whose land is to be resumed, over the whole course of the line, from Welshpool to Midland Junction, deserve to receive some consideration.

The Minister for Railways: They will get it.

Hon. A. F. GRIFFITH: I repeat, the owners of this land are not sellers. In the main they are people who have established their homes in this locality, and some of them have established farms of one form or another. They have their homes there and they have lived there for many years; but, in the interests of progress, they are now obliged to pick themselves up and go to some other district.

One of the things about which they are chiefly concerned is that they do not know when they will have to go. I have tried as hard as I possibly can but I have not yet been able to get any indication directly from the Government as to when they might have to go. The Minister said, in the course of his speech, that he hopes that some funds will be allotted next financial year in order to make a start on the marshalling yards project.

I do not think it is asking too much to ask the Government to give these people an undertaking that it will, as soon as it resumes the land and before it does anything else, pay the people whose land is resumed, because after all their land is the foundation upon which the marshalling yards will be built. If the Government was unable to resume their land they would not be forced to find somewhere else to live.

Hon. G. Bennetts: And they have to get money to purchase another place.

Hon. A. F. GRIFFITH: I thank Mr. Bennetts for helping me. That was one point that I did not intend to miss. I repeat that I think the first payment should go to the people. I do not want to see the land resumed and the payment

by the Government prolonged, for the very reason that Mr. Bennetts gave. These people are obliged to re-establish and rehabilitate themselves somewhere else; and I put the case of a poultry farmer forward as an example, because there are a lot of them in that area.

These days poultry farming is done on a highly scientific basis. The buildings are costly, and also wages are costly. A man who has built up a poultry farming business over a number of years is obliged, because of this set of circumstances, to move his home and his farm as well; more important still, he is obliged to find some land elsewhere.

Hon. A. R. Jones: That is the big problem.

Hon. A. F. GRIFFITH: That is the greatest problem of all. If a man who lives in Welshpool, and who has established a business as well as a home, is to be paid, for the sake of argument, a sum of £5,000 by way of compensation, he is not going to be satisfied if, in attempting to rehabilitate himself by buying more land, buildings and another house, it costs him more than the Government is prepared to pay him by way of compensation.

I think the Government should be prepared to compensate these people in such a way that they can purchase other land and not be out of pocket as a result of the transaction. The compensation should be according to the value of comparable land in other districts which are not affected; because there is no doubt—and some members might not agree to this—that since the advent of the marshalling yards project in the Welshpool district the value of land has deflated to such an extent that owners can get nothing for it. Who wants to buy land, even if he were able to sell, when he knows that a marshalling yard is to be established there?

We all know that the interim town planning order prevents these people from selling their land without an appeal to the Minister, and if the Minister rejects the appeal the Government has to buy the land. But the fact remains that these people are still on the land, and they are unable to sell it. So it is of no use their making an application to the Minister because nobody would buy it. Nobody wants to establish any business whatever there in connection with this land, because everybody knows that a marshalling yard is to be established there, and that anybody who bought this land to build a house and establish himself would be stupid in the extreme. Accordingly these people do not know what is going to happen to them or what they are going to be paid.

I would like to revert to the overall cost. The Minister for Railways says that this would be in the vicinity of £4,700,000. Where will this money come from? The Government is in such dire financial

straits at the present time that personally I cannot see how it is going to undertake any more major responsibilities of this nature.

Hon. A. R. Jones: It could not find the three noughts at the end of it.

Hon. A. F. GRIFFITH: And that would not be much good to the people in the Welshpool district. The alternative for me would be to vote against this Bill; but that would not get the people I represent anywhere—it would not get them anywhere at all. All I ask on their behalf—and they asked me to carry the message to the Minister—is that they be given due consideration and help in the difficult problems with which they are faced. At the risk of reiteration, I would say that it is most important for these people that they be given sufficient by way of compensation to enable them to rehabilitate themselves in other suitable areas.

There also comes to my mind the question of drainage of the marshalling yard. I know there is a comprehensive drainage scheme which takes in the whole area from the foothills to the Swan and the Canning Rivers. I know it well, because the previous Minister for Works, Hon. D. Brand, was responsible for having this comprehensive drainage scheme drawn up. I hope the Government, in connection with this 600 acres of land, will see that the drainage scheme in relation to the marshalling yard, is a proper and effective one, and that it will not be limited simply by seeing that the marshalling yard area is drained to the disadvantage of people who will continue to live along the fringes of the area, but that the whole area will be drained as the major works proceed.

I wrote to the Belmont Park Road Board in connection with this matter, and sent it a copy of the Bill and told it that the measure had been introduced. I received the following reply dated the 21st November, 1957, from the secretary of the road board—

Subject: Bill to Authorise Construction of Railway—Midland Junction to Welshpool.

Many thanks for your letter of the 5th inst. together with copies of Bill introduced by the Minister for Transport relative to the above matter. The proposal was considered by my Board at its last meeting.

I have been directed to advise you that whilst my Board is not happy over the project as a whole, it realises, in the public interest, that it is essential for some reorganisation of the metropolitan railway system to take place and as the Stephenson plan provides for the establishment of the marshalling yards in close proximity to Welshpool, it does not desire to object.

It is felt, however, that some co-ordination of the existing road system which will be severely affected by the yards, should be given high priority and financial provision made for local authorities to be reimbursed for the cost of reorganising the system or else such work made the responsibility of the Main Roads Department.

I would point out that the land required for railway purposes will still further reduce the ratability of the South Belmont area and any additional liability for road reinstatements, etc., will be a further burden on the balance of the community in that area who have been already seriously inconvenienced by the proposals.

It is necessary that the Government should take the local authority into its confidence when dealing with this matter.

I also communicated with the Canning Road Board; and whilst I have not received any written reply, the secretary told me orally—in similar terms to the letter I have just read—that the Canning Road Board also hopes that the Minister will take the board into consideration when the matter of roads, cross-overs and the like, are to be discussed. I know the trouble caused by the previous Bill which we had before Parliament, and which is still on the statute book, in connection with the establishment of a Welshpool-Bassendean chord line. I must say that I am very pleased that the matter has not been proceeded with, because that line cuts right across the Belmont Park Road Board area, and it would have been constructed at considerable inconvenience to the local authority itself, quite apart from the people in the area. As the Minister says, this land will only interfere with 100 people. It does not sound terribly important; but I am sure it is very important to the people whom it will interrupt.

Hon. L. A. Logan: Haven't resumptions been made in the Bassendean-Welshpool case?

Hon. A. F. GRIFFITH: I understand that resumptions have been made, and that the Government has paid out money to quite a lot of people, and has returned land to other people who wanted it. The situation has been generally negotiated. Apart from that I am not at all cognisant of the facts. Most of it was done by private arrangement; and I would suggest to the Minister that this, too, could be done by private arrangement.

It would be a relatively easy matter for the Government officials to see these people as individuals, and to explain the position to them, rather than do what the Government surveyors are doing at the moment, and what they have been doing for years. I have complained about it often enough in this House. They walk

on to a person's property, very often without permission, and place survey pegs on the property concerned. When the owner asks what they are doing they reply that they are surveyors and that they are surveying the block.

Hon. F. R. H. Lavery: That is done in other areas as well, not only there.

Hon. A. F. GRIFFITH: It would appear that I have a friend in Mr. Lavery. This is an important matter, and the Government officers would not be put to any trouble if they knocked on the door of the house concerned and asked if they might put in some survey pegs.

Hon. F. R. H. Lavery: It is common courtesy.

Hon. A. F. GRIFFITH: It is; and the average Western Australian citizen reacts very kindly to common courtesy.

The Minister for Railways: Don't they do that?

Hon. A. F. GRIFFITH: I am afraid they do not always do it. People have come to me and said, "These fellows just walked on to my property." I do not say that no courtesy was ever extended; that would be unfair.

The Minister for Railways: Is it something new?

Hon. A. F. GRIFFITH: It is nothing new; and if the Minister recalls the big housing acquisition that took place in 1954 when no notice was given to people at all—

The Minister for Railways: I remember it in 1950.

Hon. A. F. GRIFFITH: —despite the fact that the Chief Secretary had said there would be no more land taken, he will remember that at that time the surveyors walked on to property ad lib. They even cut down trees.

The Minister for Railways: They have always done it.

Hon. A. F. GRIFFITH: Yes.

The Minister for Railways: I asked if it was something new.

Hon. A. F. GRIFFITH: I beg the Minister's pardon. I thought he said that it was something new.

The Minister for Railways: Is it the first time you have complained about it?

Hon. A. F. GRIFFITH: I have complained about it on a score of occasions. The people who live in the Welshpool area, and with whom I have had more discussion than with anybody else on the line, are a reasonable section of people. They know that in the interests of progress their land must go, but they are living in a world of uncertainty. They have not the heart to improve their properties nor the spirit to try to venture in new directions; because if they do, they feel that perhaps in 12 months, two years or five years' time they

might be obliged to pack their trunks and get out. They are concerned about where they could go to rehabilitate themselves in a similar walk of life to that which they are now pursuing. I refer to those people who have set themselves up in business of one kind or another in the area concerned.

It is those people about whom I am most concerned; and I will bitterly protest, and bitterly fight the Government—whether it be this Government or any succeeding Government—if I find this land is to be resumed, and Government money is to be spent on the project, while the people who own the land are to be left waiting. The important thing is that these people must be paid and be given their deserts for the land they own.

I know the Minister would say that a number of them have been settled privately. That is also true; but there have been a very limited number. I sent a letter to the Minister for Works about two months ago and referred to the case of a Mr. Stevens. I received a very courteous reply to the effect that the matter was being attended to, but since then I have heard nothing from the Minister. It is important that attention should be given to these matters.

The Minister for Railways has kindly said that each case will be dealt with on its merits. If all these people came to me at one time, which is not likely, and said, "What will we do?" I would have one course, and one course only, open to me; namely, to say that "The Minister for Railways has told you that each and every one of you will be treated on his merits; and if you desire to leave your property, the Government will take it over." This would mean that the Government would have to find the estimated cost of £400,000 to £500,000 by way of resumption payments.

If this Bill becomes law as I am sure it will, and the people in the area begin to find—not that they do not know it at present—that they are subject to legislation, they will be coming to the Government and saying, "I want my money in order that I can go out and rehabilitate myself somewhere else." It is important that the Government should look to the future to find where that money is to come from.

With those remarks, I support the second reading and hope that the plea I have made to the Minister for Railways in respect of the rights and privileges of these people who live in Welshpool, and whose land is going to be taken away, will be strictly upheld by the Government.

HON. G. BENNETTS (South-East) [11.1]: After having heard Mr. Griffith speak in connection with land resumptions I would like to make some remarks concerning Esperance. I was amazed to find just the opposite in regard to the payment

of compensation to people whose land was resumed for the school and hospital. One particular person had two blocks resumed for a hospital site. He was prepared to let the Government put its own price on the land, even though it had been his intention to utilise it for the building of a home.

Because he considered it was for a worth-while cause, he decided to accept the Government's price and was surprised to find that he received £150 over what he would have asked; and the payment was made promptly. In regard to another person the same thing applied. This person received in the vicinity of £200 more than he expected in connection with a block for the school.

Hon. A. F. Griffith: I hope the same treatment will be given to the people I represent.

Hon. G. BENNETTS: In this case the money was rather slow in being paid, but I found out that the titles were involved in a will and this caused the delay. When a block at Esperance was resumed the person told me that he wanted to build a home on it because he was starting work in the district. He was offered another block but it was not suitable, and the department wrote and advised him to purchase a block for which it said it would pay. The person paid a deposit on the block; and a fortnight ago, when I saw the Minister, the balance was paid in cash and the person now has his own property.

I am perturbed about the proposal under discussion, because we are proposing to spend in the vicinity of £5,000,000. Therefore, I hope the Government will give consideration to the possibility of rail unification. It looks as though the Commonwealth Government will go ahead with this proposal. I do not know whether we will like it or not, but it looks as though it will be forced on us.

Hon. C. H. Simpson: You will want hundreds of millions then.

Hon. G. BENNETTS: The Commonwealth Government will not mind.

Hon. C. H. Simpson: We hope!

Hon. G. BENNETTS: We have to do something about marshalling yards, as the population is increasing. However, I hope it is not intended to do anything at the expense of the remote areas. At Naremburn station they are working in outhouses and at Pantapin the houses being used are not suitable. There are many things, such as schools, required in my electorate, for which we have not the money. However, we must advance with the times and see that these projects are carried out. But I hope we have some money left in the bin to carry out some of the other works to which I have referred.

I heard the Minister for Railways say the other night that we are going to lower the lines for bridges. I hope that

many more subways will be put in rather than bridges built, because the latter are costly to maintain and construct. Before any bridges are built, I hope the Government will look at one which has been constructed in Kalgoorlie by a contractor using old rails. It is an all-iron structure built from old rails, and is one of the best bridges in this State. There would be very little maintenance because the only woodwork is the planking on the bridge. It is built from old rails and there are hundreds of tons available.

I support the Bill, as we must advance with the times. However, I hope the Government will consider the effects of the unified railway gauge.

HON. C. H. SIMPSON (Midland) [11.7]: Mr. Griffith gave the outline of the work which it was intended to undertake in the construction of this proposed line from Midland Junction to Welshpool; and he mentioned some of the figures which have a bearing on the cost. He seemed rightly concerned for those persons who would be disturbed because of the building of the line. I am right with him; but contrary to his expressed intention of supporting the Bill, I intend to oppose it on the ground that there is provision on the statute book for another line which is the first choice of the railways—a shorter line, considerably cheaper to construct, and one which would offer a considerable saving in running costs. I know a great deal about it, because I was the Minister who had the job of piloting that Bill through this House; and I have never heard a satisfactory explanation as to why any other route should have been chosen.

Hon. A. F. Griffith: Does it put the marshalling yard in a different position?

Hon. C. H. SIMPSON: I do not think that has much to do with it, because all these possibilities were carefully examined by the Cabinet of the day before the Bill was presented to Parliament; and they were very carefully examined by all the people concerned while the Bill was under discussion in both Houses. I remember surveyors coming not with a small map as we see on the wall, but with a map about 20ft. long, which had to be laid in sections on the floor of the Legislative Assembly and this Chamber. The large-scale map showed every property and house likely to be disturbed.

The surveyors of the Railway Department, who were entrusted with the planning of that line had every opportunity in the world to examine the best and cheapest route from the point of view of construction, drainage and the small amount of disturbance involved together with the necessity of having marshalling yards as close to the city as possible.

The Bill provides for the expenditure, under various headings, of a total of £4.7 millions. Land acquisition accounts for £400,000; and as Mr. Griffith pointed out, the Minister estimated it will probably cost £500,000. Construction of the line will cost £800,000, and these two items represent a total of £1.2 millions. I would point out that on the original line these resumptions, with the exception of very few, were carried out. The houses were either demolished and others provided for the people who were disturbed; or the properties were held by the railways and rented to railway employees in preparation for the completion of the project.

These are the particulars so far as the marshalling yard houses are concerned. There were 53 houses in the marshalling yard area, and 31 in regard to the lead in the main through Hadfields property, making a total of 84. They were all resumed. Compensation was paid in respect of 51 which were sub-standard and were demolished, and compensation was paid in respect of 33 others that were occupied by railway employees and still are, making a total of 84, equalling the 84 I previously mentioned. Another 12 or 13 people were compensated and the houses were demolished on the curve through Bassendean, one being given to the State Housing Commission.

That left 19 properties in the area to be accounted for, from a total of 116. There were only 19 left in a very remote portion, as it were, of the proposed railway route. The people knew they were on the line for resumption and were worried at that time; and I agree with Mr. Griffith that once it is decided to construct a line the people in the affected area should be approached immediately so that they can make fresh arrangements and get the necessary cash to effect a transfer. I know what these disturbances mean.

I supervised the actual work of the resumptions that were made and the compensation paid to these people. Actually we had a committee doing the work. On this committee was the president of the Institute of Valuers; the Government Land Resumption Officer, Mr. Jarvis; and a third member appointed for the time being by the local authority affected—in most cases, the road board secretary. They did a very good job, and had to, because they could not afford to be unfair and make favourites since a common rule had to apply to all properties in each case.

And the system worked wonderfully well. I came into the scheme by insisting that the resumptions be carried out as early as possible, and as an illustration of the pressure, I have had ladies whose houses were to be disturbed waiting on my doorstep before I came to the office in the morning. One must experience such things to appreciate the distress occasioned to these people by such disturbance.

When the provision was first made for the rail link between the south-western line and the eastern line it conformed to necessities of economy and competent railway planning and when we examined the possibilities the railway advisers strongly advised us not to adopt any other proposition but to adopt that particular one on the score of economy. Hon. A. F. Watts, who was then Minister and handled these matters in another place, said—

The additional operating cost involved in the functioning of a marshalling yard at Midland Junction was estimated at £60,000 per annum. The estimated additional construction cost entailed in the proposal would be £885,000, due to added length, extra bridging, and additional cost because of the unfavourable topography in the proposed Midland Junction marshalling yard area.

Another objection to the Midland Junction line is that this would serve no useful purpose apart from the through-routing of goods from that area. The Welshpool-Bassendean line, on the other hand, would probably carry the additional industries' traffic in the future as it serves areas under consideration for housing programmes. In addition, the Welshpool connection fits in with the ultimate scheme for a circular railway in the metropolitan area designed for the time when road conditions will be more intolerable and suburban rail traffic will have to be developed. It is therefore thought, although other aspects and places have been examined as I indicated, that in order to carry this work out on a practicable basis and without undue expense, the Bassendean-Welshpool proposal must be adopted. The estimated cost of this work was without the cost of resumption £350,000 or thereabouts—and it is considered that the best course to pursue is to ask for authority for a railway from Bassendean to Welshpool. That is what the Bill proposes to do.

Hon. A. F. Griffith: That was three or four years ago.

Hon. C. H. SIMPSON: Yes; but there is a big difference between £350,000 and the present proposed cost; and that is quite apart from the question of drainage, which was one of the factors which caused the original planning to avoid the area between Midland Junction and Welshpool. When I was introducing the measure into this House I said—

Members will desire, no doubt, to hear the factors that were taken into consideration when deciding to establish the marshalling yard at Bassendean. Briefly these were—the suitability of the site from the points of

view of area, levels, drainage and the avoidance of unnecessary haulage into the city area. An area of land that conforms to all these requirements exists at Bassendean.

It is estimated that the establishment of a marshalling yard at Midland Junction would entail a working expenditure of £60,000 per annum more than if it were located at Bassendean, apart from an extra constructional cost of £885,000 caused by the greater distance, extra bridging and unfavourable topography. Also, a chord line from Kenwick to Midland Junction would serve no useful purpose apart from the through-routing of goods from that area.

On the other hand, the proposed Welshpool-Bassendean line most likely would carry additional future industrial traffic and would also serve proposed future housing areas. Further, it will take its part in the ultimate scheme for a circular metropolitan railway.

Hon. F. R. H. Lavery: That was before Mr. Stephenson came here.

Hon. C. H. SIMPSON: Yes. Although I was Minister for Railways and Transport at that time and heard a lot about Mr. Stephenson, I never saw him until he was leaving and I met him by accident at the Chief Secretary's office. If I have any complaint, it is that the Co-ordinator of Works at that time, for reasons best known to him, sought to avoid consultation with me; and a great deal of what Professor Stephenson did in many directions is due to what he considered to be the wishes of the Co-ordinator of Works. I have no explanation for that, and I want it understood that I have nothing against the then Co-ordinator of Works, in the main.

In most cases he was entirely right; but I am not prepared, like some people, to endorse willy-nilly everything Professor Stephenson recommended. He may have been a valuable and competent man, and certainly made a comprehensive report on the necessities of the metropolitan area; but I am sorry he did not make a master plan for the development of the whole State and produce some balance between the tremendous sums proposed to be expended in the metropolitan area and the still greater expenditure that is of vital importance in country areas; because if we have a limited sum of money available, we cannot afford to carry on and spend huge sums in the metropolitan area, with sometimes little thought for economy, while there are many projects in the country areas starving for the money that would promote their development.

The sum that is mentioned here is by no means the whole of the expenditure that will be necessary. If the line is to be lowered through the Perth yards that will

involve extra expense, as will the widening of Roe-st. and Wellington-st. to carry the traffic out of Perth. Further expenditure will be involved in bridging and it is obvious that this plan will be tremendously expensive. If we can adopt a cheaper method of doing the same thing I believe we should do so. I believe the original chord line proposal would be much cheaper because, firstly, there is less line to be constructed and, secondly, there would be a lower yearly operating cost. Further, a lot of the expenditure on resumptions has already been undertaken. We should take all those factors into account, particularly as we have not the money to do all we would like to do.

The estimated time for building this proposed line is from three to four years, whereas the earlier proposal was to be completed in two years. We are told that about 40-odd houses would be disturbed by the proposed marshalling yard and 100 by the connecting line, and I take it that that includes both ends of the project. There is a bridge to be constructed at the Midland Junction end across the Helena River under this proposal, while the other scheme involved a bridge across the Swan. Although at first sight the bridge over the Swan might appear more expensive I believe that, owing to the bridging of the area that is swamped when the Helena River is in flood at that point, the cost in each case would be about the same.

I have been told that to go ahead and use the proposed marshalling yard area at Bassendean, where expenditure has already been incurred on resumptions and so on, would cramp the industrial development of that district; but that measure, which is already on the statute book, represents a cheaper plan than this, and I think steps could have been taken to direct any progressive industrial development to some other centre; because when the line was contemplated from Welshpool to Bassendean, it was also contemplated that there would be a number of industrial establishments located there; that sizeable industries could have their own sidings off that line; and that the whole area would be built up for rail traffic.

I think there might be some reaction in the minds of people who are to be disturbed by the present proposal, because if their memories go back far enough they will probably recall friends or relatives whose houses were demolished and who had to be re-established elsewhere under the earlier proposal. Such people could well say, "The Government changed its mind once and now I or my friends are to be disturbed again. Who is to know whether the process will be repeated?" In any case, on the score of the immediate saving and the annual saving in operating costs, the proposal already on the statute book should receive serious consideration. For those reasons I will vote against this measure.

THE MINISTER FOR RAILWAYS (Hon. H. C. Strickland—North—in reply) [11.28]: I was interested in Mr. Griffith's remarks in connection with this proposal, and one can understand his concern for those of his electors who are to be affected by the construction of the proposed railway and marshalling yard. On every occasion when a Government has had to acquire land in large quantities for public purposes while Mr. Griffith has been here, he has raised his voice in the interests of those affected.

However, his concern can be answered by me orally, as on previous occasions, by saying that those concerned will be protected and that each case will be dealt with on its merits and none will be deprived of value. Mr. Bennetts quoted instances at Esperance where people received more compensation than they expected. That is not uncommon, as it has happened in dozens of cases in the Hamilton Hill area.

Hon. A. F. Griffith: Let us hope it will happen with Welshpool.

The MINISTER FOR RAILWAYS: It has happened. Various people entered into negotiations with the Land Resumption Office and valued their properties at various figures. When the officers of that office inspected the properties they found that for rating purposes the land had been under-valued. There are cases, of course, where people claim much higher values than those allowed by the Land Resumption Office. Nevertheless, it has been Government policy to follow the one line with everyone.

The fact is that there has been no great public outcry against the resumption of land by the Government for several years past. We can go right back to the Kwinana resumptions in this regard. This goes to prove that the present Government and the previous one have acted fairly and squarely in regard to resumptions.

Hon. A. F. Griffith: I would not agree with that.

The MINISTER FOR RAILWAYS: I can recall that there was much outcry made by members who were stirring up trouble in various districts over resumptions, especially just prior to the general elections, but in actual fact the people themselves were not behind the outcry that was being made at that time by certain people.

Hon. A. F. Griffith: I don't know what you are talking about.

The MINISTER FOR RAILWAYS: I know what I am talking about. I can remember on one occasion, when I was relieving the Chief Secretary, that a great disturbance occurred over a cemetery site in the Maida Vale area. I can distinctly remember advising the people affected that

it was a previous Government that had suggested the resumptions initially, and we heard no more about the matter. As it happened, we did not proceed with the resumptions in this particular instance. Therefore, one does not take a great deal of notice of any outcry made by a small section. The proof lies in the facts that are presented, and the facts are that there has been no public demonstration over these resumptions.

Hon. A. F. Griffith: Elections have nothing to do with this matter.

The MINISTER FOR RAILWAYS: I can advise the hon. member that the people were dealt with fairly and squarely. As Mr. Simpson can recall, when land was resumed for the chord line proposal there was no outcry against that move, and the same can be said with other instances such as the resumptions that were entered into for the Kwinana project.

The hon. member spoke of compensation. It would be interesting to ask the owners of holiday cottages at Kwinana how much they received in compensation when the area for the oil refinery was fenced off and such move affected the patronage of the holiday cottages situated in that district. I am inclined to think the value of those properties probably dropped to nil. So whilst the policy of this Government is to pay a fair value for the property resumed, the hon. member can tell those concerned that they have no need to worry.

However, when they will be bought out will depend on the passage of the Bill. There is a legal point involved. One would never have expected the Leader of the Opposition in this House to oppose the Bill, but he does. Wonders will never cease. One can never predict what is going to happen in this Chamber. Another point is that, to acquire any property, the Government has to be legally authorised, and it is not legally authorised to acquire property for this railway until Parliament approves of the construction of the railway.

Hon. A. F. Griffith: By this Bill?

The MINISTER FOR RAILWAYS: Yes.

Hon. A. F. Griffith: You will get your Bill, I hope.

The MINISTER FOR RAILWAYS: I hope so, too. The hon. member apparently does not intend to support his leader.

Hon. A. F. Griffith: So far as I am concerned, this is a House of review.

The MINISTER FOR RAILWAYS: Those are the facts.

Hon. A. F. Griffith: I am not tied in any way.

The MINISTER FOR RAILWAYS: Once the Bill becomes law, the Government will be legally authorised to acquire property.

Hon. A. F. Griffith: It will not be long now.

The MINISTER FOR RAILWAYS: Where the money is to come from to meet the cost of the resumption is another matter which apparently the hon. member is worried about. However, the money will come from the same source as that from which was paid out the money to meet the cost of the resumptions involved in the Bassendean marshalling yards project and the laying of the chord line. In those instances, the money was obtained from loan funds.

So there need be no fear about where the money will come from. No one will be kept waiting unduly because the Government is deemed to be broke. The Government was extremely broke when it started on its career. Nevertheless, the finances of the State are in a much healthier condition now than when this Government took office in 1953. In 1955 we had to pay for £6,000,000 worth of locomotives which were imported from overseas.

The Chief Secretary: And that is only one item!

The MINISTER FOR RAILWAYS: We have £8,000,000 worth of wagons that cannot be used; and these were all ordered by the previous Government.

Hon. L. A. Logan: Aren't you using any of them?

The MINISTER FOR RAILWAYS: They are costing an enormous sum of money. However, this Government had to pay for them. That is the debt which it started with when it first took office. I am pleased to tell the House now that they are all paid for; but we cannot use them to their maximum capacity or anything like it. That is another story, however.

I can remember how bushmen referred to such a situation. They used the expression—I am sure country members have heard it—"A dog tied up somewhere." In this instance our dog was a Great Dane. We are pleased to say, however, that the financial condition of the State is much better off today. Therefore, members need not worry as to whether these people will be paid because they will be paid without a doubt.

I am rather surprised that Mr. Simpson is opposing the construction of this line, merely because the proposal that he put forward for the construction of the chord line was not agreed to. He said that a logical reason for the construction of this particular line had not been advanced. I cannot be the judge of whether the reason is logical or not, but the reason is because of the replanning of the whole area.

Hon. C. H. Simpson: Did you take that into account when you re-routed that line around the foreshore?

The MINISTER FOR RAILWAYS: We submitted the Stephenson plan to an all-party committee which endorsed that section of the plan which I am now asking Parliament to endorse.

Hon. C. H. Simpson: Endorsed in Mr. Clarke's and Mr. Hall's absence.

The MINISTER FOR RAILWAYS: It has nothing to do with Mr. Hall and Mr. Clarke. It is a pity that they had not been absent for the past eight or nine years, because the State would have been better off if they had been. The reason why Mr. Simpson's chord line and marshalling yard proposal was not proceeded with was that a majority opinion said, "No; there is a better scheme in the Stephenson plan"; and that scheme was adopted. The hon. member could not complain about that, because it was his Government that brought Professor Stephenson to this State, and he planned the scheme. One of the members of that all-party committee was the late Hon. H. Hearn who was a staunch supporter of this particular proposition; namely, the Welshpool marshalling yard.

Hon. A. F. Griffith: There was another scheme in between the two of them.

The MINISTER FOR RAILWAYS: That is the reason why the Bassendean marshalling yard scheme was not proceeded with. It was considered to be inadequate to serve the area in 50 years' time. This overall regional plan is deemed to meet the requirements of the metropolitan area in 50 years with an estimated population of 1,500,000.

Hon. C. H. Simpson: We had more money at that time.

The MINISTER FOR RAILWAYS: That is the position. We had none, unfortunately; but we were forced into these projects. We are now in a much better financial position that we were when we first took office.

Hon. C. H. Simpson: The extra cost of operation will mean a good deal.

The MINISTER FOR RAILWAYS: No doubt it will; but then again, there is the cost of construction. However, the hon. member is talking about 1951 values as against 1957 values.

Hon. C. H. Simpson: And 11 miles as against six.

The MINISTER FOR RAILWAYS: That chord line meant the destruction of a number of houses in Belmont, and it would have had to cross the Great Eastern Highway.

Hon. C. H. Simpson: That was all done.

The MINISTER FOR RAILWAYS: It was to be done, and it could not have been done cheaply. However, we are not arguing the pros and cons of that. I supported the Minister when he introduced his proposal for the laying of the chord line, and I am supporting myself

now when I introduce this proposal which is the considered opinion of an expert and of members of an all-party committee. I have only those few remarks to make on the Bill, and I am pleased at the reception that has been given to it. It is extremely necessary to pass this measure so that a commencement can be made with the line in the next financial year.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. R. Hall in the Chair; the Minister for Railways in charge of the Bill.

Clauses 1 and 2—agreed to.

Schedule:

Hon. A. F. GRIFFITH: I take this opportunity to make a few remarks on the route that is proposed in this instance, as distinct from the route chosen by the legislation already on the statute book. I do not want to see the Bassendean chord line put into operation, and I hope the Government will not revive that matter. I was very young in politics when the Bill dealing with that line was presented in another place of which I was a member. At the time I was informed that the Minister for Railways had the right under the Public Works Act to alter the course of that line by one mile on each side, so I supported that Bill.

The railway engineers were then most adamant, when I took a deputation to the then Minister for Railways, that the course of the line should not be changed. The course recommended split the Belmont Park road district into two, and that would have resulted in utter confusion in that local authority. The two independent engineers—Mr. Brisbane and Mr. Dumas—on being consulted by the Government, recommended a change in the route; but the course they recommended was practically in the middle of the Swan River. There was still a big factor of resumption in their recommendations.

The deputation headed by Mr. Hegney—now the Speaker of another place—and me, brought results, because members of Parliament inspected the route and were horrified that such a recommendation had been made. The line was recommended to run on a built-up bridge along the river. In that instance I was pleased to see commonsense prevail.

With all due respect to Mr. Simpson. I want to dissociate myself from any proposal for the revival of the Bassendean chord line. If I did not I would bring the wrath of the residents of the Belmont Park Road District on my head because the members of another place at that time went to a lot of trouble telling the people of that district that the proposal for the line was brought about with my support. Members of another place played politics in such an expert manner that I was relieved to be deprived of my seat in the Assembly.

The CHAIRMAN: The hon. member must keep to the subject matter before the Chair.

Hon. A. F. GRIFFITH: A report might be spread in my district that I support the revival of the Bassendean chord line. I want to place on record that that is not my intention. I agree that the course adopted under the Stephenson plan is the most practical one. I do not think that the situation of the Welshpool marshalling yard would in general principle be affected by this Bill or by the Act already passed.

Hon. C. H. SIMPSON: On a point of personal explanation, I am entitled to say that every consideration was given to the residents of Belmont and the line was re-routed to run as far as possible parallel to the streets. Very few houses were affected. The alteration in the route was brought about as a result of a protest by the Commonwealth authorities in charge of the Guildford aerodrome. They protested against trains running too close to the airport.

Regarding the ultimate repercussions, Mr. Dimmitt, a member for the Suburban Province, supported that measure wholeheartedly, but in the following elections, the Labour Party did not even oppose him.

Schedule put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

Third Reading.

Bill read a third time and *passed*.

BILL—STATE TRANSPORT CO-ORDINATION ACT AMENDMENT (No. 3).

Second Reading.

Debate resumed from the 20th November.

HON. L. A. LOGAN (Midland) [11.53]: The four amendments contained in this measure were included in another measure which was introduced in Parliament earlier this session. That other measure was defeated and the Government has seen fit to introduce a Bill containing four amendments, which are only minor.

The first gives permission to the Commissioner of Main Roads to establish bus stands. The second permits funds to be provided from the transport co-ordination revenue for the establishment of bus shelters. The third is the changeover from the Dendy Marshall formula to the R.A.C. formula.

The fourth amendment is the doubling of penalties to be imposed on drivers and owners of public vehicles who travel on roads without being licensed; or, being licensed to carry certain goods, carry other goods. The penalties are to be increased

from £20 to £40 for a first offence; from £50 to £100 for a second offence; and from £100 to £200 for a subsequent offence.

We cannot find fault with that. They are the maximum amounts prescribed, and the magistrate will be left a discretion to impose any fine up to the maximum. I support the second reading.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Bill read a third time and *passed*.

BILL—SUPREME COURT ACT AMENDMENT.

Second Reading.

Order of the Day read for the resumption of the debate from the 22nd November.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Bill read a third time and *passed*.

BILL—MINING ACT AMENDMENT.

Second Reading.

THE MINISTER FOR RAILWAYS (H. C. Strickland—North) [12 midnight] in moving the second reading said: This Bill seeks to amend the Mining Act in regard to three matters, the first of which provides for the collection of royalty on the production of minerals at such rates as may from time to time be prescribed by regulation.

The amendment does not include gold or coal. In the case of gold it is not desired to add any new impost on an industry which has a number of marginal operators and which also is free of taxation and is receiving subsidised assistance from the Commonwealth Government.

With coal, royalty is already provided under the Act; and as the Government is practically the only purchaser, there is no need for any alteration. Other States in Australia have recently provided for royalty payments on minerals, particularly Queensland and South Australia.

At present the principal Act provides for lease rentals at the rate of 5s. per acre per annum for mineral leases and 2s. 6d. per acre yearly for mineral claims. The holders of rich and poor deposits thus pay exactly the same amount, which, too, in these days, constitutes merely a token amount. Today, a very wide variety of minerals is being mined and very profitable returns are obtained from most of

them, particularly so far as manganese and—until recently—lead, tin and copper are concerned.

It is a day of light metals, and many producers will make a lot of money in the future. There appears no reason why the Government should not share somewhat in this good fortune. The present rentals were fixed many years ago and thus Government revenue from mining holdings has remained the same, notwithstanding the fact that market prices and profits have greatly increased in recent years. It is proposed in the Bill to fix royalties by regulation so that they can be adjusted from time to time to meet any rise or fall in market prices.

The second proposal is to amend Section 122 which relates to the liability of companies for payment to tributors who treat their ore at the companies' plants. As the Act stands at present such tributors would be entitled to be paid by the companies, £15 12s. 6d. per ounce of gold recovered. However, should the price suddenly alter, as was the case in May, 1954, the tributors would receive the altered amount whereas the companies would receive only the amount paid by the Commonwealth Bank at the time of lodgment of the gold at the Mint, which could be before the alteration in price.

This arises because Section 122 requires tribute agreements to include clauses for payment of tribute by the tributors to the lessees in one of two ways, these being—

- (a) by a percentage of the value of the gold extracted from ore produced and delivered by the tributors "as ruling at a date one month after the ore is delivered for treatment"; or
- (b) by dividing equally between the lessee and the tributer the gold extracted or the gross proceeds of the sale of the gold.

The Bill seeks to substitute for the words "as ruling at a date one month after the ore is delivered for treatment" the words "at a price fixed by the Commonwealth Bank when the gold is sold." When the section was originally placed in the Act, the price of gold had been static for many years and there was no thought that it would fluctuate. It was never intended, that, nor is there any reason why, the lessee should receive a lesser amount than the tributer, and the amendment would rectify the position.

The third amendment deals with Section 277, which at present provides that temporary reserves, with right of occupancy, can only be granted for a maximum area of 300 acres, except in certain specified instances. There are now a number of very large financial prospecting companies in Australia, such as Rio Tinto, Western Mining Corporation, New Consolidated

Goldfields Australia Limited, United Uranium N.L., and others, which are prepared to spend large sums of money and use the most modern technical equipment in the search for rare minerals such as uranium, bauxite, salts, copper and precious stones, etc. Before they will put their large organisations in the field and draw public attention to their operations, they desire some greater protection than is at present provided.

Discussions, interstate, have shown that most of the other States have authority to grant large reserves. Thus they have been able to encourage big companies to conduct comprehensive searches. This at present applies particularly in Queensland, Tasmania and the Northern Territory.

We have had numerous approaches from these types of companies for areas in Western Australia; but when they are told that they would be limited to 300-acre blocks, they have advised that the security is not sufficient and they have urged that steps be taken to increase the areas. Gold is not included in this amendment and reserves for it will still be limited to 300 acres, except of course in cases of deep alluvial gold. I move—

That the Bill be now read a second time.

HON. C. H. SIMPSON (Midland) [12.6 a.m.]: I have discussed the Bill with certain mining men and the secretary of the Chamber of Mines, and it is quite acceptable to the people concerned. In fact, one or two of the provisions have been inserted especially at their request. The question of royalties is regarded as reasonable. No reduction of royalties is set out, but as the values vary from time to time there is no reason why the royalties should not be varied accordingly.

The question of adopting some standard in the settlement of transactions between the tributors and the lessors is satisfactorily covered by the words "shall be deemed to be the price for gold as fixed by the Commonwealth Bank of Australia at the time of the sale." That fixes a definite standard which is satisfactory to the people concerned.

The right of occupancy has been asked for by the larger companies which are interested in searching for metals other than gold in various parts of Australia. These rights of occupancy are something like the permits to explore which are granted to the oil companies that are trying to locate oil in different areas. The giving to the Minister of the power to grant certain areas from time to time, and the requiring of the terms and conditions relating thereto to be laid on the Table of the House within 14 days of the granting, will secure to the individuals the rights they require and will allow members of Parliament to check on these transactions. I have pleasure in supporting the second reading of the Bill.

HON. G. BENNETTS (South-East) [12.9 a.m.]: The Bill will not prevent anyone from going on to the leases in order to prospect for gold even though the leases are held by the big companies. I think, therefore, there is no harm in passing the measure.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Bill read a third time and *passed*.

1.

BILL—PARLIAMENTARY PERMANENT OFFICERS.

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [12.12 a.m.] in moving the second reading said: This Bill has been introduced because the Government thinks the time is due when conditions of employment for officers of Parliament should be placed on an organised, consistent and recognisable basis. In the past, conditions of employment and other matters associated with those officers have not been on a satisfactory basis. Much has depended from time to time, upon maybe the Speaker of the Legislative Assembly or the President of the Legislative Council or upon other people who have authority in Parliament House in regard to members of the staff.

As a result of this lack of authority, some undesirable practices developed in years gone by. One of these practices was that of accumulating annual and long-service leave up to a very substantial proportion. There was also the practice of working on beyond the recognised retiring age, as applied to the Public Service of the State and to Government employees generally.

It is thought that there should be an established authority in this matter and that there should be some reasonable degree of consistency as between general employment conditions of officers employed here and those employed elsewhere by the Government. It is realised that there could not be absolute consistency; nor should there be, because conditions of employment here differ quite considerably, in some respects, from conditions of employment in the State Public Service. Working hours here, for instance, are quite different for some months of the year from the working hours which apply in other parts of the Government service.

The Bill seeks to establish the Public Service Commissioner as the authority to determine salaries and general conditions of employment. That will be a guarantee of a reasonable degree of consistency in

relation to employment conditions. The Public Service Commissioner could not act until he had consulted with the authorities which are set up under the Act; namely, the Speaker of the Legislative Assembly in regard to officers employed in that part of the Parliament, and the President of the Legislative Council in connection with officers employed in this part of the Parliament.

The direction of the work and the activities of the officers of Parliament will still remain with the appropriate authorities here. In other words, the Speaker of the Legislative Assembly will direct and control the operations of officers in that part of the Parliament; likewise, the President of the Legislative Council will do the same in this section of the Parliament. The chairman of the Joint House Committee is the authority to control and direct the work of those officers of Parliament who come under his direction, and there is also provision in the Bill for one or two other authorities to have control and direction in regard to the actual work to be done.

In other words, the Public Service Commissioner, whilst he will, after close consultation, fix salaries and decide conditions of leave, annual and so on, will not direct or control the work which the men and women employed here will do. All the direction and control of the work will be in the hands of the appropriate authorities located in the Parliament. The officers of the Parliament will be officers of Parliament and not members of the Public Service under the Public Service Act, or under the provisions of the Public Service Appeal Board Act, if the Bill becomes law.

As members will see from the Bill, the definition of the term, "permanent officers" is quite embracing. It ranges from the clerks of the two Houses to such positions as those of attendants and typists. It has been framed that way because, in the past, and indeed at the present time, all of those officers who are specified in this Bill have been, and are, under the control and direction of the appropriate authorities here in Parliament in regard to the work which they shall do, and the manner in which they shall carry out that work.

The Bill lays down that the retiring age for officers of Parliament shall be 65 years. I think there is not any argument why any officer of Parliament should continue beyond that age when, in fact, the rule in the Public Service and in Government employment generally, is for a retiring age of 65 years.

There is authority in the Bill to make the 65 years of age retirement provisions sufficiently elastic to meet a situation which could easily arise. For instance, we probably would not desire the leader of the Hansard staff to retire in the middle of a session, or immediately after a session

had concluded. We all know that when Parliament does conclude its work in a session, a great number of records have to be prepared and checked, and their accuracy ensured. It might easily be that it would be desirable to retain for a few weeks beyond 65 years of age the leader of the Hansard staff, or for that matter, any member of the Hansard staff.

The same argument would apply with equal merit to the Clerk of the Legislative Assembly; and to the Clerk of the Legislative Council, and it could apply to other officers employed by Parliament. Therefore, this special provision has been included in the Bill to allow a degree of discretion in regard to the enforcement of the retiring age of 65 years. Nevertheless the Bill will, if it becomes law, lay down that any extension beyond 65 years of age in the service of any officer, shall be for a limited period only and to meet special circumstances.

The Public Service Commissioner would make his first determination in regard to salaries as soon as possible after the Act came into operation; and he would make a determination whenever a general reclassification of the Public Service was being carried out, or even before.

The provisions of the Public Service Act in regard to annual leave, leave of absence in case of sickness or pressing necessity, and in connection with long-service leave and other conditions of service will, in future, operate in connection with the officers of Parliament. The three weeks' annual leave which is now granted to officers of Parliament will continue even though the period of annual leave granted to officers of the Public Service and Government employees generally is only two weeks in duration. It is thought that the conditions of employment in Parliament are such as to justify the granting of an additional week's annual leave to those who work here. The grant of three weeks' annual leave, which these officers have enjoyed previously, is being safeguarded for them in the future by the Bill, and it will become a rule of the road, legally, in the Act, in the event of the Bill becoming law. I move—

That the Bill be now read a second time.

On motion by Hon. F. D. Willmott, debate adjourned.

BILL—WESTERN AUSTRALIA (SALES-PROMOTION LABELS).

Second Reading.

THE MINISTER FOR RAILWAYS
(Hon. H. C. Strickland—North) [12.19 a.m.] in moving the second reading said: This Bill is the outcome of a recommendation of the Publicity and Education Committee of the Trades and Industry Promotion Council. It is designed to provide for

the use of a standard Western Australian label to distinguish goods, the production or preparation of which is substantially carried out in the State.

The Bill gives the Minister power to appoint an advisory committee consisting of a representative each of the Chamber of Manufactures, Chamber of Commerce, Trade and Industries Promotion Council, and an officer of the Department of Industrial Development. The representatives of the three bodies I have mentioned will each submit a panel of three names to the Minister.

Under the Bill the Minister may delegate all or any of his authority to the advisory committee without affecting his own authority or responsibility, and he will also have power to cancel any delegation conferred under this section.

When the Minister is satisfied that the production or preparation of any goods is substantially carried out in the State he may, upon application, issue a permit and include conditions, authorising the attachment of a prescribed label to the goods in question.

The Bill provides for offences relating to labels and permits. Any person who affixes, or causes to be affixed, a prescribed label and is not the holder of a permit, or who does not comply with the conditions laid down in the permit, is liable to prosecution.

Provision is made in the Bill to protect the employee or agent from prosecution where he affixes a label, in the course of his duties, which he believes to be covered by a permit held by his employer.

Inspectors under the Factories and Shops Act, or under the Health Act will, by virtue of their office, be authorised to act under this measure, and will be responsible for seeing that the provisions of the Act are being observed. They will be empowered to commence and conduct prosecutions for offences, subject at all times to the approval of the Minister having been obtained.

Because of the importance and advantages attaching to the use of the prescribed label, and also because of serious repercussions in the case of misuse of labels, the penalties proposed are fairly high. A first offender is liable to a fine of £25; for a second offence £75; and, for a third or any subsequent offence, to a penalty of £200.

Power is also contained in this Bill for the prescribing of regulations considered necessary, desirable, or convenient, in order to give effect to the requirements of the Act.

It is considered that the use of an authorised legal label would assist the public to pick, with more certainty, the

locally manufactured article, and would to some extent prove an incentive to manufacturers. I move—

That the Bill be now read a second time.

On motion by Hon. J. G. Hislop, debate adjourned.

BILL—NURSES REGISTRATION ACT AMENDMENT (No. 2).

Assembly's Message.

Message from the Assembly notifying that it had agreed to the amendments made by the Council subject to further amendments now considered.

In Committee.

Hon. W. R. Hall in the Chair; the Chief Secretary in charge of the Bill.

No. 1.

Clause 2, page 2, line 14—Delete the word "ten" and substitute the word "twelve."

The CHAIRMAN: The Assembly agrees to the Council's amendment subject to the Council's making a further amendment to strike out the word "twelve" and insert the word "thirteen" in lieu.

The CHIEF SECRETARY: I move—

That the Assembly's amendment be agreed to.

The purpose of this is to enable the Governor to appoint to the board a mental-trained nurse who is also qualified as a general trained nurse. This will not affect the appointment under Section 4 (a) (iv) to the board of the nominee of the mental nurses. The extent of mental nursing is so great now that the Australian Nursing Federation considers there should be another representative of the mental nurses on the board. Under the new proposal the Governor undoubtedly would appoint a senior experienced nurse. This would be very valuable especially when, as is the case at present, the nominee of the mental nurses is a male nurse. It would be invaluable to have the advice of a mature, experienced female nurse. This amendment was requested by the Australian Nursing Federation.

Hon. J. G. HISLOP: At this late stage of the session I am not going to quarrel with the amendment made by the Assembly, although I think it is most unwise in one particular. I think it is unwise on the part of the Nurses' Registration Board, which has presented these changes, to have taken out of the original subparagraph (ii) (b), a matron of one of the nursing training hospitals of the metropolitan area elected by the matrons of these hospitals, because the board is now in the position that it need not necessarily, except by election, have a matron of a

training school on the board. It could have senior nurses, who would probably be matrons or senior sisters, but not specifically a matron of a nursing training hospital. The matron of the Royal Perth Hospital has always been on the Nurses' Registration Board, but that has been only because of her personality and the position she held among the nursing staff. She gains her place on the board by election. Surely a matron of one of the nursing training hospitals should be on the board.

The only matron specifically appointed to the board now will be the Principal Matron of the Public Health Department, who is a matron controlling matrons who are training nurses in country centres. But as the Nurses' Registration Board wants the amendment I do not quarrel with it, even though I think it is unwise as it stands. Without further discussion with the board, I have no intention of opposing what it wants.

Question put and passed; the Assembly's amendment to the Council's amendment agreed to.

No. 2.

Clause 2, page 2—Add after subparagraph (iia) a further subparagraph as follows:—

(iib) a matron of one of the nursing training hospitals of the metropolitan area elected by the matrons of these hospitals.

The CHAIRMAN: The Assembly agrees to the Council's amendment subject to the Council's making a further amendment to strike out subparagraph (iib) and insert the following in lieu:—

(iib) an officer of the Department of Education who is a specialist in general education, and nominated by the Minister for Education.

The CHIEF SECRETARY: I move—

That the Assembly's amendment be agreed to.

The board is assisted by an education committee on which is an officer of the Education Department and a tutor nurse. The board would like to have the education officer on the board, as it would provide the close liaison the board likes to keep with general education matters. If this is agreed to the education committee will become redundant and will not be used.

It is and has been the policy to have the matrons of the Royal Perth Hospital and the King Edward Hospital on the board. They are the two senior nurses provided for in Section 4(a) (iii) of the Act. If Dr. Hislop's amendment and his following amendment are included in the Act, one of these matrons will lose her seat on the board. The hon. member's following amendment provides for three tutor

nurses on the board instead of two senior registered nurses. Tutor nurses are junior to matrons.

Question put and passed; the Assembly's amendment to the Council's amendment agreed to.

No. 3.

Clause 2, page 2—Add paragraphs to stand as paragraphs (c) and (d) as follows:—

- (c) by substituting for the words "Two senior" in line seven of subsection (4) the word "Three";
- (d) by inserting after the word "registered" in line seven of subsection (4) the word "tutor."

The CHAIRMAN: The Assembly agrees to the Council's amendment subject to the Council's making a further amendment to strike out the word "three" in paragraph (c) and inserting the word "four" in lieu, and to strike out paragraph (d) and insert the following in lieu:—

- (d) by deleting the full stop after the word "nursing" in line eleven of subsection (4) and adding the following passage:—"another of whom shall be a tutor, another of whom shall be a general trained nurse, and another of whom shall be a mental trained nurse qualified for registration as a general trained nurse."

The CHIEF SECRETARY: I move—

That the Assembly's amendment be agreed to.

This will provide for the extra mental nurse on the board and will also ensure the appointment of a tutor nurse to the board. The entire amendment was proposed by the Australian Nursing Federation.

Question put and passed; the Assembly's amendment to the Council's amendment agreed to.

Long title:

The CHAIRMAN: There is a consequential amendment that the long title be amended from "An Act to Amend the Nurses Registration Act, 1921-1956, to provide for an additional member of the Nurses' Registration Board" to "An Act to amend the Nurses Registration Act, 1921-1956, to provide for Additional Members of the Nurses' Registration Board."

The CHIEF SECRETARY: I move—

That the Assembly's amendment be agreed to.

Question put and passed; the Assembly's amendment to the long title agreed to.

Resolutions reported, the report adopted and a message accordingly returned to the assembly.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [12.36 a.m.] in moving the second reading said: The first proposal in this Bill seeks to widen the definition of "worker." As an example I would draw the attention of members to the fact that in the building industry some of the work is sublet by the registered building contractors. Painting and plaster-board work is often let out in this manner. The workers who perform that sub-contract work would be paid in accordance with the provisions of the building trades award, but some registered contractors have avoided their obligations in regard to payroll tax by letting out work on what might be termed a piecework basis, or what they term a contract basis. Naturally, a certain amount of supervision is necessary over the work performed by the alleged sub-contractors. The Bill proposes that where they are not now defined as workers, the sub-contractors will be brought under the definition of "piece-worker."

It is also provided that where a person is plying for hire and is not purchasing his vehicle under hire-purchase or other methods of acquiring vehicles, he shall be regarded as a worker within the meaning of the Act. This would enable certain taxi-drivers to benefit under the principal Act.

Another amendment refers to Section 8 of the Act which deals with industrial diseases and under which silicosis is regarded as a major ailment. The Act limits the period to three years after a miner has left the industry within which to claim compensation. If after working five to ten years in a goldmine, the miner leaves the industry, and within a period of three years his malady develops, and the medical evidence shows he is entitled to compensation, he would receive compensation. But if the malady develops, after the three years, the requirements of the Act would not have been met and he would not be entitled to compensation. It has been found that this disease can develop after the three-year period has elapsed. The Bill seeks to bring such workers within the scope of the Act.

I will now deal with lump sum payments. On examining the Act it will be found that in respect of permanent and total incapacity the basic rate is £2,700; but for the widow or dependants of a deceased worker the rate is £3,000. Yet in the Second Schedule, dealing with loss of limbs, etc., the maximum amount is only £2,400. It is proposed to make those three lump sum payments uniform, and so the Bill prescribes an amount of £3,000.

Another amendment deals with ex-nuptial children, and if this provision is agreed to it will enable an ex-nuptial child to

be placed on the same basis as other dependent children under the first schedule of the Act. A further proposal in the Bill has been debated on previous occasions in this House. This is the provision dealing with the covering of a worker when travelling to and from his place of employment to his place of residence. The Government is firmly of the opinion that the time is overdue for Parliament to agree to this provision. Any substantial deviation from the usual route from home to work and return would debar a worker from entitlement to compensation.

Another proposal in the Bill deals with medical and hospital expenses incurred when workers are injured in the course of their employment. At the present time the maximum for medical expenses, including specialist fees, is £100, and for hospital expenses it is £150. My Government has previously endeavoured to remove these limitations. With hospitalisation so costly today and medical expenses so heavy, comparatively, it often happens that workers suffering long periods of incapacity are legally bound to pay substantial amounts in hospital expenses and medical fees. The Bill proposes to remove the limitation on hospital expenses so that a worker injured in the course of his employment and obliged to seek medical aid or to enter hospital, shall have his reasonable expenses met. If any question arises as to what are reasonable expenses, it shall be determined by the Workers' Compensation Board. This is a most important matter and one that the House should agree to.

It is not equitable that a worker who meets with a serious injury in the course of his employment should be obliged to pay substantial sums in medical and hospital expenses. This is a fair charge upon industry generally. The time is overdue when we should ensure that a worker who is so incapacitated should not have this legal obligation to pay medical and hospital expenses after being discharged from hospital and returned fit for work.

Cases are known where workers have been in hospital for a long period and have had to meet hospital accounts amounting to £300 or £400, and where the medical expenses both for specialists and general practitioners have been high, although in accordance with their scale of fees. Those charges go well beyond £100 in many instances. Some time ago a miner who was injured in the course of his employment had hospital expenses amounting to £384 of which he himself was obliged to meet £235. In special cases the Government has made *ex gratia* payments. But we believe that the man—or the woman for that matter—should be entitled to all reasonable hospital and medical expenses as a right and should not be subject to consideration by a Government for an *ex gratia* payment.

For a long time past some of the metal trade unions have requested that provision be made in the Act for compensation to be paid for what is known as boilermaker's deafness. A provision has been included in the Bill for this purpose. Men who are working in places where there is an amount of continuous noise, over a period, often suffer an impairment of their hearing. It is considered the time is ripe for the inclusion of a provision in the schedule to cover this disability. The proposal is to insert in the Third Schedule another item known as occupational deafness, including boilermaker's deafness, and which is described as resulting from any employment subjecting the worker to continual or intermittent noise over prolonged periods, which noise can be reasonably presumed to have caused the deafness. I move—

That the Bill be now read a second time.

On motion by Hon. C. H. Simpson, debate adjourned.

House adjourned at 12.42 a.m. (Wednesday).

Legislative Assembly

Tuesday, 26th November, 1957.

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