

But the unemployment that exists today in the building trade is not brought about by lack of Government spending; because the Government is spending as every other Government has done, right up to the hilt of its ability to spend. The trouble is that we have unemployment in the building industry because of contraction of finance available to the home-builder. We have not spent any less at Government level on housing. We spent £3,000,000 on war service homes last year, and £3,000,000 under the Commonwealth-State agreement, together with £1,250,000 under the State Housing Act, a total of about £7,250,000.

There has been a bigger vote in connection with education, and it will be bigger again this year—it will be bigger than we have ever known. So it is to be expected and anticipated—and surely this is agreeable to the Opposition—that the Government will have more money to spend. But the problems are no less than they were before, because, as Mr. Strickland knows, an increase of 1s. a week in the basic wage has a considerable impact on the pay sheets of the Government departments. This money is absorbed; and I am very glad to say that the additional money has been forthcoming. The previous Government must have found it pretty heavy going when in the years 1957, 1958, and 1959—three consecutive years—they asked for only £21,000,000 in their Supply Bills.

I would ask Mr. Strickland in all good faith not to ring down a curtain of gloom over Western Australia, but to join with us in the enthusiasm we have to see Western Australia go ahead. Let us say what the average man in the street is prepared to say it; namely, that the world is beginning to take notice of Australia and of Western Australia. Let us say that the foundations we have been endeavouring to lay for the last two years will in the course of time reach fruition. Let us say that the agreements which have come, substantially out of the Mines Department, have proved successful. Whether the negotiations with Laporte, for instance, started in the days of the previous Government or not, I care not over much. What is important is that we have got Laporte here.

Surely let us say that the Scott River agreement is successful and that the bauxite deal is also successful; and let us say that of all the other agreements, including the one with the Western Mining Corporation in connection with the deposits at Mt. Goldsworthy, which is in the honourable member's province. Let us say that the people who enter into agreements with the Government are successful in their operations, because if they are they will bring employment and economic stability to the State; they will also bring to Western Australia the prosperity which we are seeking.

With those remarks I close this debate. I would point out to members that it is not a bit of use, merely for political reasons,

trying to create an atmosphere to the effect that Western Australia's prospects for the future are not bright; because, in spite of everything, Western Australia's prospects for the future are bright, and no matter what anyone might say to the contrary I feel sure we will succeed and prosper.

Personal Explanation.

The Hon. H. C. STRICKLAND: On a point of order, Mr. President, I would like to refer you to Standing Order No. 385 which gives a member the privilege of correcting a previous speaker when that member has been misquoted. The Minister misquoted me when he said that I claimed the Government was treating the working people worse than the natives. From memory, my words were that wage and salary earners were the most helpless section of the community, apart from the aborigines.

Debate Resumed

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by The Hon. A. F. Griffith (Minister for Mines), and passed.

House adjourned at 4.49 p.m.

Legislative Assembly

Thursday, the 10th August, 1961

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The SPEAKER (Mr. Hearman) took the Chair at 2.15 p.m., and read prayers.

QUESTIONS ON NOTICE

WARREN ZONE RIPARIAN RIGHTS
COMMITTEE*Report and Departmental Action*

1. Mr. ROWBERRY asked the Minister for Water Supplies:
 - (1) Does he know of any body known as the Warren Zone Riparian Rights Committee?
 - (2) Has this committee made reports to the department?
 - (3) If so, what action is contemplated by the department in this connection?
 - (4) Does he know that there was a serious shortage of water in the Warren area last summer?

Mr. WILD replied:

- (1) Yes.
- (2) Yes.
- (3) The reports and recommendations of the committee are still under consideration.
- (4) Yes. The flow of the Warren River, in line with most coastal streams, was the poorest for many years.

YORNUP-DONNELLY RIVER MILL
ROAD BRIDGE*Financial Assistance for Repair*

2. Mr. ROWBERRY asked the Minister for Works:
 - (1) Has any request been made by the Bridgetown Shire Council for financial assistance to repair or redesign the bridge on the Yornup-Donnelly River Mill Road?
 - (2) Is he aware that during winter months the approaches to this bridge are under water?
 - (3) Will he view sympathetically any request for financial assistance in this respect?

Mr. WILD replied:

- (1) No.
- (2) Yes.
- (3) I shall ask the Commissioner of Main Roads to make an examination of the situation and to report to me accordingly.

3. *This question was postponed.*

NANNUP JUNIOR HIGH SCHOOL

Erection

4. Mr. ROWBERRY asked the Minister for Education:

- (1) Is it the intention of the department to proceed with the erection of a junior high school at Nannup?

(2) If so, when?

Mr. WATTS replied:

- (1) Yes.
- (2) It is hoped that the first section will be commenced during the current financial year.

5 and 6. *These questions were postponed.*

SWEARING-IN OF MINISTERS

Terms of Oaths of Office

7. Mr. GRAHAM asked the Premier: What are the terms of the oaths of office taken by Ministers of the Crown when being sworn in?

Mr. BRAND replied: The terms are as follows:—

I,
do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth the Second, Her Heirs and Successors, according to Law.

So help me God.

Sworn at the Council Chamber,
Perth,
Western Australia, this
day of 19
before me

GOVERNOR.

I,
do swear that I will well and truly serve Our Sovereign Lady Queen Elizabeth the Second, Her Heirs and Successors, in the office of and I will do Right to all manner of people after the Laws and Usages of this Realm, without fear or favour, affection or illwill.

So help me God.

Sworn at the Council Chamber,
Perth,
Western Australia, this
day of 19
before me,

GOVERNOR.

8 and 9. *These questions were postponed.*

RAILWAY TRACTION

Fuel Consumption and Costs, 1959-1960 and 1960-1961

10. Mr. GRAHAM asked the Minister for Railways:

What was the quantity and cost of fuel for railway traction purposes for the following—

- (a) local coal;
- (b) imported coal;
- (c) oil;
- (d) firewood;
- (e) other,

for the years 1959-1960 and 1960-1961 respectively?

Mr. COURT replied:

	Quantity Tons	Cost £
(a) 1959-1960	275,298	763,952
1960-1961	233,574	575,059
(b) 1959-1960	9,814	80,553
1960-1961	10,480	87,592
(c) 1959-1960	3,427,953 gal.	304,505
1960-1961	4,616,473 gal.	398,097
(d) 1959-1960	Not readily available	1,911
1960-1961	Not readily available	6,316
(e)	Nil	Nil

LEIGHTON BEACH

Construction of Pedestrian Access Way

11. Mr. FLETCHER asked the Minister for Railways:

- (1) Will the pedestrian access way, via the railway lines to Leighton Beach, be completed as promised, prior to the coming surfing season?
- (2) What is the anticipated date of commencement and completion of this project?

Mr. COURT replied:

- (1) Yes.
- (2) Work will be commenced on the 28th August, 1961, and completion is scheduled for the 30th November, 1961.

12. *This question was postponed.*

SEWERAGE

Extension to Morley Park District

13. Mr. J. HEGNEY asked the Minister for Water Supplies:

- (1) What is the estimated cost of extending the sewerage system to service the Morley Park district?
- (2) What is the length of the extension?
- (3) Has the Bayswater Shire Council made any subsidy payment towards the cost or agreed to do so?

- (4) If the answer is "Yes," to what extent?
- (5) Has Boans Ltd. or any other private firm made any financial payment towards the cost of the extension?

Mr. WILD replied:

- (1) £66,000 covering the cost of providing sewerage facilities for the main Morley shopping and industrial centre.
- (2) 7,500 feet of pumping main and 3,100 feet of reticulation sewers.
- (3) and (4) No.
- (5) Boans Ltd. has contributed £5,500.

PARLIAMENT HOUSE

Presence of Security Officers

14. Mr. FLETCHER asked the Speaker:

- (1) Were two security officers in and around the precincts of Parliament House on the afternoon and evening of the 8th August, during the presence of the unemployed visitors?
- (2) If the answer is in the affirmative, why were their services considered necessary, in conjunction with the 14 other uniformed State police?
- (3) On whose authority were those officers within the precincts of Parliament House?

The SPEAKER (Mr. Hearman) replied:

- (1) Yes.
- (2) Not being a member of the Security Service, I would not know.
- (3) There is no authority needed for these officers to be in the precincts of Parliament House. It has for hundreds of years been part of the British parliamentary tradition that debates in Parliament should be open to the public, except in the rare instances of secret sessions. No effort has been made by me to prevent anyone entering the public gallery, regardless of whether they be British subjects or not, and regardless of whether there is any reason to suppose that they are members of any subversive organisation or not. In point of fact, I believe that there were some members of a subversive organisation present in the public gallery on Tuesday last; and in my opinion, the Security Service were not only quite within their rights, but also very properly present on that occasion.

DISCOLOURED WATER

Expenditure on Remedial Measures

15. Mr. O'NEIL asked the Minister for Water Supplies:

- (1) Does he recall my questions on Thursday, the 23rd July, 1959, relative to discoloured water in the Metropolitan Water Supply mains?
- (2) Will his department concede that the position has generally worsened in the last two years?
- (3) What amount of money has been expended over the last two years to overcome the problem, and to what effect?

Mr. WILD replied:

- (1) Yes.
- (2) No.
- (3) Any expenditure of this nature on flushing or rearrangement of the reticulation system is not recorded separately from expenditure on maintenance of the reticulation system generally.

Discolouration can never be eliminated entirely from a large supply system, and on occasions when discolouration occurs in any local part of the network, flushing is promptly carried out and a close watch is kept on the position. Where some of the few remaining sections of unlined pipes have been replaced or lined and old valves replaced, discolouration occurrences have been reduced. However, where service pipes are corroded, discolouration will occur irrespective of the main supply.

STATE BUILDING SUPPLIES

Acquisitions of Plant, Machinery, and Equipment, and Dates of Purchases

16. Mr. GRAHAM asked the Minister for Industrial Development:

- (1) What machinery, plant, and equipment was purchased by the State Building Supplies between the dates of first negotiations and disposal to the present owners?
- (2) On what dates were the purchases made?
- (3) What was the cost?

Mr. COURT replied:

- (1), (2) and (3)—

Items purchased; Date; Cost.

- (a) Sedan car; 12th August, 1960; £963.
- (b) Docker for Nedlands Yard; 15th August, 1960; £258.
- (c) Calculating machine; 21st September, 1960; £234.
- (d) Survey equipment; 15th March, 1961; £28.

- (e) Heavy duty tractor; 23rd March, 1961; £10,248.
- (f) Heavy duty tractor with dozer and tree pusher; 23rd March, 1961; £13,323.
- (g) Utilities (2); 23rd March, 1961; £1,640.
- (h) Calculating machines (3); 14th April, 1961; £702.
- (i) Forklift truck; 20th April, 1961; £3,047.
- (j) Tip truck (one yard capacity); 26th May, 1961; £5,066.
- (k) Rear end loader; 15th June, 1961; £2,741.

I should add for the information of the honourable member that the plant concerned was acquired for urgent replacements at the request of the manager.

Mr. Hawke: No need to apologise.

17. *This question was postponed.*

"CAPITAL PORT"

Definition

18. Mr. HALL asked the Minister for Works:

- (1) What constitutes a capital port and how is it arrived at?
- (2) What organisation, person, or body has the power to state what is a capital port?

Mr. WILD replied:

- (1) (a) The term "capital port" is very rarely used.
- (b) In naval parlance it would refer to ports which would take capital ships such as aircraft carriers or battle-ships.
- (c) Commercially it could be used synonymously as the terminal port of a shipping line where, at the end of the run, docking, repairs, surveys, etc. are carried out. London would be a good example.
- (d) It could be interpreted as the port serving the capital of a country.
- (2) There is no organisation, person, or body with the power to state what is a capital port.

ALBANY PRISON

Selection of Site and Commencement of Building

19. Mr. HALL asked the Chief Secretary:

- (1) Has a site been selected for the new prison and gaol at Albany?
- (2) If the answer to No. (1) is "Yes," when is it contemplated that the building will be commenced?

- (3) If the answer to No. (1) is "No," why has the site not been selected, when sites were inspected in 1960?

Mr. ROSS HUTCHINSON replied:

- (1) A site has been tentatively selected to the west of the Princess Royal Harbour near the industrial area. Boundaries have yet to be defined, these being under consideration by the Town Planning Board in co-operation with the Albany District Sub-regional Planning Committee, in connection with an overall plan for the future development of the City of Albany and the surrounding districts.
- (2) I am unable to indicate any definite date as to when building can commence.
- (3) Answered by No. (1).

UPPER KALGAN BRIDGE

Strengthening and Widening

20. Mr. HALL asked the Minister for Works:

- (1) Has he given consideration to strengthening and widening the Upper Kalgan Bridge, Albany, bearing in mind the expected heavy flow of traffic between Albany and Ravensthorpe?
- (2) If consideration has been given to the matter, what are the findings?

Mr. WILD replied:

- (1) It is not expected that the Upper Kalgan Bridge will be unduly taxed for some time by the heavy haulage vehicles operating in the area.
Traffic movements, however, are being watched; and if the need arises, consideration will be given to strengthening and widening. Meanwhile, arrangements have already been made to surface the bridge deck and approaches with bitumen.
- (2) Answered by No. (1).

COPPER-IMPREGNATED SUPERPHOSPHATE

Shortage and Avoidance of Recurrence

21. Mr. KELLY asked the Minister for Agriculture:

- (1) At what date did he become aware that a severe shortage existed of copper-impregnated superphosphate?
- (2) Did he realise that by neglecting to rectify the shortage immediately it became apparent, and by adopting the attitude that farmers unable to obtain requirements for

use on copper deficient lands should make the best of growing alternative crops, that he handed primary producers a distinct dis-service?

- (3) As the demand for 1961 outstripped the supply available by nearly 50 per cent., what positive remedial steps, beyond the appointment of a committee, has he taken to avoid this position recurring?

Mr. NALDER replied:

- (1) Early April.
(2) It is not the prerogative of the Government either to arrange or supply any fertiliser. As soon as the shortage became known, action was taken to encourage suppliers to import any alternative copper fertilisers available.

Advice given to farmers to avoid growing crops which would fail if copper fertilisers were not available cannot be considered a dis-service.

- (3) Information available indicates that about 70 per cent. of the demand for copperised superphosphate was met.

For the coming season, arrangements have already been made for manufacturers to supplement copper ore supplies with enough imported copper sulphate to meet demands. Copper ore producers will be given the opportunity to develop mines so that production can be increased. The suitability of other types of copper is being investigated to determine whether future importation of copper fertilisers can be avoided.

NAREMBEEN-MT. WALKER WHEAT BIN ROAD

Seating

22. Mr. KELLY asked the Minister for Works:

- (1) Is it the intention of the Government to seal the road from Narembreen to Mt. Walker wheat bin at an early date?
(2) If not, when will this work be commenced?

Mr. WILD replied:

- (1) No.
(2) There is no justification under present traffic conditions to seal the road. An amount of £3,000 has been provided on the current programme for further strengthening works.

TOBACCO INDUSTRY

Safeguards for Western Australian Growers

23. Mr. KELLY asked the Minister for Agriculture:

- (1) As it became very evident as early as the 5th May, 1961, that a market crisis had developed in the tobacco industry, what action did he take in order to safeguard Western Australian tobacco growers?
(2) Was he correctly reported as having stated to a deputation from the W.A. Tobacco Growers' Association on the 15th May, 1961, "That he would support any proposition which would safeguard the industry in Western Australia."
(3) Does he consider that a statement of this calibre had any value whatever, in view of the attitude adopted by cigarette manufacturers, operating the Australian leaf tobacco market on a "Pie" buying basis?

Discussion at Agricultural Council Meeting

- (4) Was the parlous position of the tobacco growers discussed as a matter of extreme urgency, at the meeting of the Australian Agricultural Council held in mid-May of this year?
(5) If so, what resolutions were adopted?

Commonwealth Action

- (6) If he has not already acted, will he undertake to seek Commonwealth Government action to restore stability to tobacco leaf markets?

Mr. NALDER replied:

- (1) Problems associated with the marketing of tobacco were discussed at meetings of the Standing Committee in November, 1960 and of the Australian Agricultural Council in February, 1961. The need for the Commonwealth Government to take action to assist the tobacco industry was emphasised at the meeting of the Australian Agricultural Council in June, 1961.
(2) Yes.
(3) There is not the slightest proof that manufacturers are operating on a "pie" buying basis.
(4) The repercussions of a limited demand for the greatly increased quantity of Australian tobacco available this year were exhaustively discussed at the meeting of

the Australian Agricultural Council in June, 1961. Special meetings were also held with growers' representatives and manufacturers in an endeavour to assist in the disposal of the crop.

- (5) It was agreed that the Minister for Primary Industry should take steps to ensure that all Australian tobacco suitable for manufacture would be used. Subsequently a review committee was established to determine the usability of tobacco for which no bid is made at tobacco sales. This committee is now operating at the Perth sales.
- (6) Answered by Nos. (1) and (5).

PERTH HYGIENE: CRITICISM

Refutation of Article in "Bulawayo Chronicle"

24. Mr. KELLY asked the Minister for Health:

- (1) Was the notice which appeared in the daily Press on the 31st July, 1961, under the caption, "Perth, Flies, Disease and Smells," brought to his notice?
- (2) Would he agree with, or did he refute the contention that Perth is at least 40 years behind the Central African Federation in social developments; that "you have to leave one hand free to knock the flies out of your nose, mouth and eyes"; that "babies, two days old, have ophthalmia, enteritis, skin disorders, and that all children have ear, nose and throat troubles"; that "the Swan River is unfit for even a dog to swim in"; that "there is no garbage collection"; that "instead of sewerage, buckets are dumped into the sea, and that wives who went for a swim were forced by their husbands to walk home"?
- (3) As the above statements appeared in the *Bulawayo Chronicle*, and would seriously damage Western Australia's reputation overseas, will he assure the House that an emphatic denial was publicised in the *Bulawayo Chronicle*?

Mr. ROSS HUTCHINSON replied:

- (1) Yes.
- (2) and (3) The statements published are such a grossly exaggerated distortion of the facts that this should be apparent to any intelligent reader anywhere. Similar statements are made from time to time by disgruntled migrants. It was not considered worth while to issue any denial.

CRAIG'S LAKE, KEWDALE

Provision of Water for Poultry Farmers

25. Mr. JAMIESON asked the Minister for Works:

- (1) What work, if any, was done by his department at Craig's Lake, Kewdale, in February, to give nearby poultry farmers access to water?
- (2) How much did this work cost?
- (3) How many people benefited from this work?

Mr. WILD replied:

- (1) to (3) No work of this nature has been carried out by the department in the past twelve months.

RIO TINTO

Negotiations for Working Asbestos Leases

26. Mr. BICKERTON asked the Minister representing the Minister for Mines:

Have negotiations been conducted with the firm of Rio Tinto or its subsidiaries for the working of asbestos leases? If so, what are the details?

Mr. ROSS HUTCHINSON replied:

A temporary reservation for the purpose of prospecting for asbestos was granted to Messrs. Hancock and Wright, who, it is understood, have an association with Rio Tinto.

PILBARA ELECTORATE

Bituminising Road Work

27. Mr. BICKERTON asked the Minister for Works:

- (1) What is the amount of bituminising road work envisaged for the next twelve months in the Pilbara electorate and where is the exact location of such work?
- (2) Will he give consideration to the bituminising of the road from the coastal highway into the township of Onslow?

Mr. WILD replied:

- (1) Details are—

North-West Coastal Highway, Shire of Port Hedland, section 20-25 miles east of Port Hedland, 5 miles bitumen surfacing, £8,000 carried over from 1960-61 programme.

Point Samson - Roebourne - Wittenoom Road, Shire of Tableland (1961-62 programme), section 171-174 miles from Roebourne, 2 miles (various sections), bitumen surfacing, £2,400.

Point Samson - Roebourne - Wittenoom Road, Shire of Tableland (1961-62 programme), section 80-120 miles from Roebourne, stabilize and seal crossings, £5,000.

Point Samson - Roebourne - Wittenoom Road, Shire of Roebourne (1961-62 programme), various sections, 2 miles reconstruct and prime, £10,000.

Summary

7 miles bitumen surfacing	£
Stabilising and sealing crossings	10,400
2 miles reconstruct and prime	5,000
	10,000
	<hr/>
	£25,400

- (2) There are hundreds of miles of road in the north-west part of the State that would have a higher priority for bituminous surfacing than the 12-mile spur into Onslow.

STATE'S IRON ORE RESERVES

Tabling of Papers

28. Mr. BICKERTON asked the Minister representing the Minister for Mines:

Will he lay on the Table of the House all papers in connection with recent applications for iron ore reserves in this State?

Mr. ROSS HUTCHINSON replied:

As all files are still in action, it is not possible to lay the papers on the table of the House at this stage. When action is finalised, files can be made available.

29. *This question was postponed.*

ORD RIVER CLUB

Cost, Membership, and Accommodation

30. Mr. RHATIGAN asked the Minister for Works:

- (1) What was the cost of building the Ord River Club at Kununurra?
- (2) What was the cost of electrical equipment and furnishings—
 - (a) in the lounge;
 - (b) in the kitchen;
 - (c) in the other portions of the building?
- (3) Is it a fact that only those on the staff of the Government and those on the staff of the contractors, together with their wives in both cases, are permitted to be members of the club?
- (4) If so, is this not class distinction in a bad form, seeing the money to provide the club came from the taxpayers?

- (5) Will he agree that a club run under similar conditions to those of the club at Cockatoo Island, where all on the island, irrespective of their class of employment, are entitled to be members of the club, would be a much more satisfactory arrangement to all concerned at Kununurra and the Kimberley Research Station?

- (6) What was the cost of constructing the residential section of the club?

- (7) How many rooms are there?

- (8) How many rooms are occupied permanently?

Mr. WILD replied:

- (1) A lump-sum building contract was let at Kununurra which included a power house, administrative building, on site office, canteen block, hostel block, and four houses at a total cost of £256,811.
- (2) Electrical equipment for the entire contract was approximately £18,000, and individual buildings were not costed. Similarly, furniture was purchased for all buildings and not costed separately.
- (3) No.
- (4) and (5) Answered by No. (3).
- (6) See answer to No. (1).
- (7) 20.
- (8) 10.

YORK HOSPITAL

Commencement

31. Mr. MANN asked the Minister for Health:

When will work commence on the proposed York hospital?

Mr. ROSS HUTCHINSON replied:

Tenders will be called in November, 1961.

BRUNSWICK JUNCTION HOUSING

Applications and Commission's Building Programme

32. Mr. I. W. MANNING asked the Minister representing the Minister for Housing:
- (1) What is the number of applications for houses at Brunswick Junction?
 - (2) What is the commission's building programme for Brunswick Junction during the current financial year?

Mr. ROSS HUTCHINSON replied:

- (1) Eight outstanding applications.
- (2) Two houses. Tenders have been called, and the position will be reviewed in a few months.

COLLIE INDUSTRIES*Proposals for Development*

33. Mr. MAY asked the Minister for Industrial Development:

Under the heading "Proposals Could Benefit Collie," Managing Director Mr. N. Fernie outlined the following proposals during an address he delivered in Collie at the invitation of the Adult Education Committee during August, 1960:—

- (1) The production of char from low-ash Muja coal.
- (2) Up-grading of ilmenite to a 99 per cent. pure rutile, using char or Collie coal.
- (3) The establishment of a new sponge-iron industry.

What knowledge has his department of these three proposals, and is the department being consulted in regard to these matters? If so, what are the prospects of bringing these proposals to fruition?

Mr. COURT replied:

- (1) An industry for the production of char is the subject of investigation as I advised the honourable member in answer to a question yesterday.
- (2) The original project was the production of synthetic rutile and non oxide pigments from ilmenite, which project has developed into the upgrading of ilmenite with the possible production of non oxide pigment as a by-product. This work is showing satisfactory prospects and a large overseas firm is interested. There are also prospects of local commercial production.
- (3) An agreement has already been signed in respect of sponge-iron production and will be submitted to Parliament for ratification this session. The final outcome is largely dependent on current proving work on the iron ore deposits.

NORTH-WEST DEVELOPMENT*Commonwealth-State Authority: Constitution, Functions, etc.*

34. Mr. BICKERTON asked the Minister for the North-West:

- (1) Was he correctly reported in an article appearing in last Thursday's issue of *The West Australian* wherein it was stated that he favoured a Commonwealth-State authority or commission to develop the North-West?

- (2) If so, would he inform the House what he has in mind regarding—
 - (a) the constitution of this body;
 - (b) what its functions and duties would be;
 - (c) where it would obtain its finance and the approximate amount that would be available to it per year;
 - (d) where its administration would be centred?
- (3) Has he had discussions with Commonwealth authorities on this matter; and, if so, who were the officials and what were their reactions to his suggestions?
- (4) What advantages would result from the establishment of such an authority?
- (5) Will the House be given the opportunity to fully debate the matter before Commonwealth-State agreements are made?

Mr. COURT replied:

- (1) Yes.
- (2) (a) There would be Commonwealth, Western Australian, and Queensland representation if a northern development authority were set up; or from Western Australia and the Commonwealth if the authority related only to the northern part of this State.
- (b) The authority would have the responsibility of producing plans and estimates for major projects essential to the development of the north. When these projects had been approved by the Government concerned, the commission would have the responsibility to have them implemented. The authority would not interfere with or have any responsibility for the day to day administration of the northern areas. Its energies would be directed towards major development projects which called for Commonwealth-State participation because of the financial limitations of the States.
- (c) It is envisaged that such an authority would obtain its finance partly from the Commonwealth and partly from the States with the major share coming from the Commonwealth. The amount would depend on the magnitude of the projects and the degree to which Commonwealth and State Governments were willing and able to set aside funds.

(d) This would be determined by negotiation in the light of experience.

(3) This matter has been the subject of discussion between the Commonwealth and State Governments. At this juncture the Commonwealth does not favour the idea.

(4) Such an authority with carefully selected personnel would bring concentrated and expert knowledge to the developmental problems of the north, divorced from political and sectional interests. Such an authority would command the confidence of Governments, the residents of the areas concerned, and the public generally, and add weight to submissions made from time to time.

(5) An arrangement of the type envisaged is a matter that would normally be entered into by the Government of the day in the course of its administration. Parliament would have the normal opportunities of expressing its views on such an arrangement.

35. *This question was postponed.*

STATE BUILDING SUPPLIES AND RAILWAY MILL

Terms of Sale

36. Mr. GRAHAM asked the Minister for Industrial Development:

(1) On what basis of calculation was the disposal figure for the State Building Supplies and railway mill established?

(2) For what reason were such generous terms of purchase agreed to?

(3) Did the Government explore the possibility of the purchasing company making payment on a more satisfactory basis?

Commencement of Negotiations and Subsequent Expenditure

(4) When were negotiations first entered into for the disposal of the State Building Supplies and railway mill to the Hawker Siddeley group?

(5) What was the total sum expended on capital works improvements, and maintenance from that date until the actual handing over?

(6) What was the nature of such work?

Leave and Superannuation of ex-Employees

(7) What is the total cost to the Government of monetary payments and commitments involved in respect of sick leave, long-service leave, and superannuation to ex-employees?

Interest and Capital Repayments

(8) What was the total amount of—

- (a) interest paid or payable;
- (b) capital repayment paid or payable;

during the last year of operation of the two concerns and the amounts, respectively, which would have been payable during the current financial year?

Land and Properties Owned

(9) What was the area of land owned by the State Building Supplies and railway mill as at date of disposal at: Perth, Carlisle, Fremantle, Mt. Hawthorn, Midland Junction, Manjimup, Merredin, Busselton, Banksiadale, Buckingham, Deanmill, Dwellingup, Pemberton, Shannon River, Worsley, Armadale, Byford, and elsewhere, if any?

(10) What is the value of the land in each case?

(11) Was any land leased by the State Building Supplies or railway mill? If so, where, what area, under what conditions, and what was its valuation?

(12) Respecting properties of the State Building Supplies and railway mill, what were the localities, number, and total value respectively of—

- (a) dwellings and appurtenances;
- (b) offices, shops, and other buildings;

(c) furniture and fittings;

(d) stock;

(e) installations at Nos. 1, 2, and 3 brickworks respectively;

(f) glazing works and associated apparatus and equipment;

(g) mill buildings and machinery, workshops, seasoning kilns and stores;

(h) all mobile equipment, including cars, trucks, tractors and adjustments, fork lifts straddle trucks, excavators earth-moving equipment, and any other?

(i) locos and railway rolling stock bridges and roads (length) and railways (length) constructed;

(j) railway sidings;

(k) water supplies, including dams, pumping equipment and reticulation services;

(l) power plants, lighting systems and distribution media;

(m) all other assets not elsewhere mentioned?

Timber in Permits, and Value, etc.

- (13) What is the acreage of standing timber in the several permits?
- (14) What is the estimated quantity of timber on such permits?
- (15) What is the estimated value of this timber?
- (16) What is the anticipated life of the permits at current permissible rate of cutting?
- (17) What was the quantity and value of felled timber and logs at mills or elsewhere at date of take-over?

Clay and Shale Deposits

- (18) What is the estimated quantity and value of the clay and shale deposits respectively?
- (19) What was the quantity of clay and shale used during the last year?
- (20) What was the quantity and value of clay and shale quarried and fuel on hand at date of take-over?

Tradesmen Taken Over

- (21) What is the assessed value of the skilled and experienced tradesmen taken over?

Debtors and Goodwill

- (22) What was the excess of the amount due from debtors over the amount owing to creditors at the time of the take-over?
- (23) What was the amount assessed for goodwill?

Factors Governing Disposal Figure

- (24) Were all of the foregoing taken into account when arriving at a disposal figure?
- (25) If not, which were omitted, and in each case what was the reason for such omission?

Mr. COURT replied:

- (1) The maximum price that could be obtained with satisfactory contract conditions for the sale of State Building Supplies and Banksiadale mill as a single entity.
- (2) Negotiations entered into with various interested parties showed that a sale could only be effected on extended terms with interest payable on any outstanding amount.
- (3) Yes.
- (4) Immediately following Press advertisement in Australian capital cities on the 18th May, 1960, that the Government was prepared to

negotiate with interested parties for the sale of the State sawmills and State brickworks.

- (5) to (25) These questions are being further examined to see the extent to which the detailed information can reasonably be extracted and made available.

The honourable member will be advised the result at the next day of sitting.

Mr. Tonkin: Why don't you put it up for auction and knock it down to the highest bidder?

SUPREME COURT ACT*Purpose of Words in Section 175(1)*

37. Mr. EVANS asked the Attorney-General:

In section 175 (1) of the Supreme Court Act, what purpose do the words "and to take acknowledgment . . . women" achieve in modern times?

Mr. WATTS replied:

The execution of a deed by a married woman married prior to the commencement of the Married Women's Property Act, 1892, in respect of real estate acquired by her prior to that commencement requires to be acknowledged before a person appointed under section 175 (1) of the Supreme Court Act, 1935. With the effluxion of time these cases are becoming increasingly rare, but it is considered that they could still occur.

METROPOLITAN WATER SUPPLY DEPARTMENT*Working Expenses for 1960 and 1961*

38. Mr. TONKIN asked the Treasurer:

- (1) Why is it that of the total excess of working expenses of the Metropolitan Water Supply Department for the year ended the 30th June, 1961, over that of the year 1960, which has amounted to £236,442 according to Treasury statements, the amount of £193,559 was in respect of the months of May and June, and only £42,883 in respect of the other 10 months of the year?
- (2) How has it occurred that although the average monthly working expenses of the department for the last financial year amounted to £123,534 the working expenses for the month of June amounted to £289,357, representing an increase of £120,980 above the previous month and of £119,685 above the expenses for June, 1960?

- (3) How has it come about that of the total of working expenses for the last financial year, as shown in Treasury statements, 30.8 per cent. was incurred during the months of May and June, compared with 21.2 per cent. for the same months in the previous year?

Mr. BRAND replied:

- (1) The position has been mainly influenced by comparatively heavy expenditure on planned and essential reconditioning of a number of large diameter water and sewerage mains, the work on which was carried out during April, May, and June as the most practicable months of the year.
- (2) It is normal for the expenditure in June to be higher than expenditure for other months of the year, and this higher expenditure has been accentuated this financial year due to the need to have special equipment brought from the Eastern States and to carry out the work in the last three months of the financial year when water consumption is at its lowest.

- (3) Answered by Nos. (1) and (2).

Debits Against Revenue Account

39. Mr. TONKIN asked the Minister for Water Supplies:

- (1) For the financial year ended the 30th June, 1961, what amounts have been debited against Re-

venue Account of the Metropolitan Water Supply Department relating to—

- (a) water supply;
(b) sewerage;
(c) main drainage;

for each of the following items of expenditure:—

Pumping, pipe mains maintenance, reservoirs maintenance, water distribution and sundry maintenance, meter reading, sewerage maintenance, sewerage house connections—plans and inspections, drainage maintenance and management expenses?

Expenditure on Maintenance

- (2) What percentage of the total expenditure (inclusive of interest and sinking fund) of the Metropolitan Water Supply Department for the year ended the 30th June, 1961, is represented by the expenditure on maintenance?

Reconciliation Between Revenue Account and Cash Account

- (3) Will he give the necessary particulars to enable a reconciliation to be made between the department's Revenue Account and Cash Account (Treasury in account with department) for the 12 months ended the 30th June, 1961, in respect of Revenue Collections and Maintenance Expenditure from Departmental Votes?

Mr. WILD replied:

(1)—

Expense	Water Supply	Sewerage	Main Drainage	Total
	£	£	£	£
Pumping	67,700	.....	.....	67,700
Pipe Mains Maintenance	172,100	.....	.....	172,100
Reservoirs Maintenance	49,100	.....	.....	49,100
Water Distribution and Sundry Maintenance	377,500	.....	.....	377,500
Meter Reading	30,100	.....	.....	30,100
Sewerage Maintenance .....	.....	392,600	.....	392,600
Sewerage House Connections—Plans and Inspections .....	.....	25,500	.....	25,500
Drainage Maintenance .....	.....	.....	31,300	31,300
Management Expenses	143,400	87,300	18,700	249,400
Totals	£839,900	£505,400	£50,000	£1,395,300

- (2) Accepting the expenditure of £1,395,300 as maintenance, 51.01 per cent.

(3) —

RECONCILIATION BETWEEN CASH ACCOUNT AND REVENUE ACCOUNT FOR YEAR ENDED 30th JUNE, 1961

Collections and Earnings

Details	Collections	Variances	Earnings
	£	£	£
<i>Revenue Collections for Year</i>	2,774,600		
<i>Deduct</i> collections in respect of amounts earned in 1959/60 and outstanding at the close of that year (Sundry Debtors at 30/6/60)		145,700	
		2,628,900	
<i>Add</i> amounts earned in 1960/61 and outstanding at the close of that year (Sundry Debtors at 30/6/61)		274,500	2,903,400
<i>Deduct</i> accrued charges in respect of Reimbursement Works (Surplus only on operations for year transferred to Revenue Account)		128,400	
<i>Less</i> surplus for 1960/61 transferred to Revenue Account		3,400	125,000
<i>Earnings vide Revenue Account</i>			2,778,400
	£2,774,600	£3,800	£2,778,400

Payments and Expenditure

Details	Cash Payments	Variances	Expenditure Incurred
	£	£	£
<i>Expenditure from Departmental Votes</i>	1,482,400		
<i>Deduct</i> payments in respect of expenditure incurred in 1959/60 and unpaid at the close of that year (Sundry Creditors at 30/6/60)		24,100	
		1,458,300	
<i>Add</i> expenditure incurred in 1960/61 and unpaid at the close of that year (Sundry Creditors at 30/6/61)		33,600	1,491,900
<i>Add</i> Expenditure from Other Votes Charges by Other Departments	28,300		28,300
			1,520,200
<i>Deduct</i> expenditure in respect of Reimbursement Works (Surplus only on operations for year transferred to Revenue Account)		125,000	125,000
<i>Operating Expenses vide Revenue Account</i>			1,395,200
<i>Add</i> Interest and Sinking Fund Charges	1,320,400		1,320,400
<i>Total Expenses vide Revenue Account</i>			2,715,600
	2,831,100	115,500	2,715,600
<i>Cash Deficit for Year</i>	56,500		
<i>Surplus on Operations for Year</i>			62,800
	£2,774,600		£2,778,400

QUESTIONS WITHOUT NOTICE

WESTERN MINING CORPORATION

Agreement to Mine Iron Ore at Tallering Peak

1. Mr. MOIR asked the Premier:

(1) In regard to the announcement on the midday news that the Premier had signed an agreement with a representative of the Western Mining Corporation to mine iron ore at Tallering Peak, what amount of royalty per ton will the Government receive under the agreement?

(2) Is the agreement subject to ratification by Parliament?

Mr. BRAND replied:

(1) and (2) Yes; and the information required by the honourable member will be made available by the Minister for Mines, I think, when the agreement is being ratified. He has not made a public announcement regarding the royalty, so I am not prepared to do so now.

PARLIAMENT HOUSE

Presence of Members of Subversive Organisations

2. Mr. JAMIESON asked the Speaker:

(1) As there were many members of various trade unions in the gallery on Tuesday last, would he indicate to the House the subversive organisations to which he refers in the answer to question No. 14 on today's notice paper?

(2) Would he name the individuals referred to so as to clear the names of the others who were in the gallery at the time?

The SPEAKER (Mr. Hearman) replied:

I would point out that I am not in the confidence of subversive organisations, and consequently I am not in a position to name them. However, I have information—and, incidentally, a member of this Chamber has confirmed this information to some extent—that there were some representatives of subversive organisations present.

TUNA SURVEY

Arrival of "Estelle Star" at Albany

3. Mr. HALL asked the Minister for Fisheries:

Can he give the date of arrival of the tuna survey vessel *Estelle Star* and the date of the commencement of the surveys?

Mr. ROSS HUTCHINSON replied:

I thank the member for Albany for giving me some notice of this question. I understand the *Estelle Star* left Esperance early this morning and that it will probably arrive in Albany on Friday afternoon or, possibly, Saturday afternoon. I suppose the official commencement of the survey will be from that time, but I believe the *Estelle Star* will be catching tuna en route, and in order to assist the canning industry at Albany I hope it will arrive at that town laden down with tuna.

RAILWAY SLEEPERS

Supply by Hawker Siddeley

4. Mr. GRAHAM asked the Minister for Railways:

What arrangements, if any, has the Government made with Hawker Siddeley in respect of the supply of railway sleepers for the W.A.G.R. and with particular reference to quantities and price?

Mr. COURT replied:

The details of this agreement, of course, will be apparent to the honourable member when it is tabled on Tuesday next, because there is a separate agreement; but I can summarise it in this way: The Hawker Siddeley agreement provides that the company will supply a minimum of 25 per cent of the sleeper requirements of the W.A.G.R. That was made a condition by the Government—I might add—that it should accept that responsibility.

It is also provided that the price will be the average of the tenders that are accepted, with a minimum of £21 per load. I think that summarises, as briefly as I can, the conditions relating to the supply of sleepers for the W.A.G.R.

Mr. Graham: For what period?

Mr. COURT: They are obligated to supply them for a period of 10 years with the right of renewal for a further 10 years.

COMMITTEES FOR THE SESSION

Council's Message

Message from the Council received and read notifying the personnel of sessional committees appointed by that House.

LEAVE OF ABSENCE

On motion by Mr. I. W. Manning, leave of absence for three weeks granted to Sir Ross McLarty (Murray) on the ground of ill-health.

ADDRESS-IN-REPLY: THIRD DAY*Amendment to Motion*

Debate resumed, from the 9th August, on the following motion by Mr. Craig:—

That the following Address be presented to His Excellency the Lieutenant-Governor in reply to the Speech he has been pleased to deliver to Parliament:—

May it please Your Excellency: We, the members of the Legislative Assembly of the State of Western Australia in Parliament assembled, beg to express loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the Speech you have been pleased to address to Parliament.

To which Mr. Tonkin had moved the following amendment:—

That the following words be added to the motion:—

Finally we strongly condemn the action of the Government in selling State Building Supplies and the railway mill at Banksiadale at bargain prices and on extremely generous time-payment conditions to an enormously wealthy private company, and consider a Royal Commission should be set up to thoroughly investigate the transaction.

MR. COURT (Nedlands—Minister for Industrial Development) [2.45 p.m.]: This amendment moved by the Deputy Leader of the Opposition could be dismissed, I think, with the statement that it is so much political nonsense. First of all, it makes an allegation of bargain prices; and, secondly, it refers to extremely generous time-payment terms. It also seeks to condemn the fact that the sale has been made to an allegedly "enormously wealthy private company"; and it seeks a Royal Commission to investigate the transaction.

If we examine the context of this amendment, it will be seen that it ignores several important things. Firstly, it ignores the fact that the method of sale that has been employed by the Government is strictly in accordance with the statutory authority given to the Government of the day by this Parliament; an authority which has been the subject of amending Bills from time to time, which Parliament in its wisdom has seen fit to reject. Therefore, the fact that the Government of the day has sold this business, as it has done, is quite consistent with any powers of the Government of the day.

Mr. Tonkin: So the price does not matter?

Mr. COURT: The methods employed by the Government have been ignored in the framing of this motion, because if ever there was a sale conducted in an open and above-board manner, this was it; first of

all, by the most public of all documents that could be made public by the Opposition at that time; namely, the policy speech of 1959. The then Leader of the Opposition declared himself in clear terms.

Mr. Tonkin: Yes; but he said, "A fair and reasonable price."

Mr. COURT: He declared himself in clear terms. Subsequently, when asked various questions publicly on this matter, Ministers have confirmed, without any hesitation or reservation, the fact that it was Government policy.

Mr. Tonkin: To sell at a fair and reasonable price.

Mr. COURT: What is even more important is the fact that the public of this State endorsed that policy—

Mr. Tonkin: Yes; that is right—to sell at a fair and reasonable price.

Mr. COURT: —by electing this Government. In order that there would be no allegation of "behind-the-scene" dealings in this matter, the Government went to the trouble of advertising, in every capital city in Australia, on the 18th May, 1960, the fact that it was prepared to enter into negotiations for the sale of the State Building Supplies to private enterprise. All that, added to the fact that it was in the policy speech; that there were several references to the Government's policy; and the fact that the people had endorsed that policy, makes it clear beyond doubt that the Government handled this matter in an open, frank, and sensible way.

We had good reason for it to be known far and wide that we were prepared to sell, because the more people who knew of our intention, the better chance we had to bargain and compete in the sale of these interests. I will deal later with the absurdity of the statement concerning the bargain price.

Mr. Tonkin: Have you had a look at the Auditor-General's report?

Mr. COURT: Yes; and we will deal with the Auditor-General's report later, but in a manner which will probably not fit in with the honourable member's line of thought.

Mr. Tonkin: On your accounting or on Treasury accounting?

Mr. COURT: When a deal such as this is being negotiated, the best possible conditions are obtained. Not one of the prospective buyers for this concern would consider anything but extended terms with the payment of interest on the outstanding balance.

Mr. Tonkin: You did not have to sell.

Mr. COURT: The Government had declared it wanted to sell; and if it did not do so the electors would ask at the next elections why the Government had not sold. We made the desire to sell public.

Mr. Tonkin: Sell at a reasonable price.

Mr. COURT: If a person wants to sell anything he has to accept the most reasonable conditions that are on offer. Under these terms there will be no cost to the Government.

Mr. Tonkin: Would you have accepted a similar offer if you were selling your house?

Mr. COURT: Most houses are sold on long terms—much longer terms than these.

Mr. Tonkin: At a satisfactory price.

Mr. COURT: This was a satisfactory price. In any case it does not cost the Government anything to accept these terms, because the maximum charge that has been incurred and is being incurred by the Government in respect of the moneys outstanding on this sale can be serviced at 4½ per cent. In fact the company will pay 5 per cent. for most of the term.

The big feature about this sale is that the Treasury, from now onwards, will not have to dip into its pockets to keep the undertaking going. In fact, the reverse will now apply, and there will be a two-fold benefit from the sale. Instead of our having to pay out consistently heavy sums of money to keep this instrumentality going, the funds could be used in providing schools, hospitals, water supplies, and power. From now onwards there will be a steady flow of money into the funds of the State which can be used for essential purposes. That was the basis of a motion moved in this House by the member for Narrogin when the present Government was in opposition, in an attempt to stop the drain on loan funds and divert some of this money to the Treasury for use in establishing essential Government requirements.

Mr. Graham: Like the V.I.P. house.

Mr. COURT: The drain on Treasury funds will be avoided. Money will be coming in to supplement the loan funds during this period of 20 years, and the industry will still continue to operate. That is the point which the Opposition seems to lose sight of. The industry will continue in a better and bigger way as a result of this sale. Surely that important point has some place in the thinking of the Opposition.

The complaint contained in this amendment, about the disposal of the instrumentality to a wealthy firm, is too farcical for words. Of course this is a wealthy firm; of course it is a solid firm and a successful firm! Would the Opposition prefer the Government to sell the undertaking to some struggling, broken-down and no-hoper type of firm? Would the Opposition be happy if that were done?

Mr. Fletcher: We do not want you to sell it at all.

Mr. COURT: We would be irresponsible if we sold this undertaking to a firm which could not meet its commitments under the contract of sale.

Mr. Graham: The firm is so wealthy that it could have paid a reasonable price, and in cash.

Mr. COURT: It has paid a fair and reasonable price.

Mr. Graham: In cash.

Mr. COURT: Let us get behind the scenes and to the point I mentioned: the display of political nonsense in the moving of this amendment. The Opposition is reflecting and has reflected over the last two sitting days of this House its bitterness, pettiness, and personal malice whenever it touches on matters related to private enterprise. It has not yet recovered from the rebuke of the electors in 1959.

Mr. Graham: Make the best of the next few months you have in office.

Mr. COURT: Its opposition to private enterprise is so great and bitter that it would be an absolute tragedy if it were returned to the Treasury bench of this State, under its present policy and leadership. It would spell nothing but stagnation and ruination for this State, and we would return to the stage we drifted into at the end of 1958 and early 1959.

Mr. Hawke: Why not try to justify this transaction?

Mr. COURT: I shall come to that in due time. What is really behind this amendment to the motion? Certainly not the price.

Mr. Hawke: Yes it is.

Mr. COURT: Not the conditions of the agreement.

Mr. Hawke: Yes.

Mr. COURT: If we had sold this undertaking at double, treble, or quadruple the price we were able to obtain, the same bleating would have come from members opposite.

Mr. Graham: Not the same.

Mr. COURT: The big factor that is hurting the Opposition is its loss of power over these employees. We have all had experience of the Opposition in action when it was the Government, such as during the Warren by-election. To say the least, its action was indecent.

Mr. Graham: Elaborate on that.

Mr. COURT: Under this proposal, whereby this concern has gone over to private enterprise, all the fear complexes will have disappeared. No longer will members opposite be able to say to the employees concerned, "If there is a change of Government some of you fellows will be sacked. What about your jobs? What about your womenfolk and children?" Never has that been indulged in so much as it was during the Warren by-election.

Mr. Roberts: They really hammered this point during the Warren by-election.

Mr. Graham: The gag specialist is speaking.

The SPEAKER (Mr. Hearman): Order!

Mr. COURT: All that has gone for good. The employees of the State Building Supplies can now enjoy the normal freedom which an employee in a State like ours should enjoy—free from the threat that if he does not do this or that, or support a particular candidate, his job will be endangered. There has seldom been a more refreshing reaction; the people who work in the establishment are not fools.

There has been a refreshing reaction from them which has been the source of embarrassment to the member for Warren as has been publicly expressed in a newspaper circulating in his electorate. It was interesting to read the comments of one Labor man in his electorate, in the same newspaper in which the member for Warren came out under huge headlines, with a strong attack on the sale of the State Building Supplies. I am sure that did him no credit; nor did it please him.

Mr. Rowberry: Who wrote that letter?

Mr. COURT: Before I get on to the details of this transaction which I propose to give to the House this afternoon, I want to make reference to one matter which reflects very badly on this Parliament and this State; that is the vicious and malicious attack made by the member for East Perth on one, Sir Halford Reddish, when he said that Sir Halford had contributed to the Liberal Party funds.

Mr. Graham: Which he did; and you know that to be so.

Mr. COURT: No; I would not know.

Mr. Graham: You know; and you know the amount.

Mr. COURT: It is no good for the honourable member to say that I know, because he does not know what I know.

Mr. Jamieson: You do not know what we know.

Mr. Graham: If I am aware, then you would be aware.

Mr. COURT: From what I can gather from the remarks of the member for East Perth and his leader concerning me, I do not seem to know anything.

Mr. Graham: We guessed you were clueless.

Mr. COURT: It was a shocking attack. The member for Beeloo, the Leader of the Opposition, and the member for East Perth are always attacking this man in Parliament, where he cannot answer them. They know that. If they were to say about this man, outside the House, even a fraction of what they say about him here, so that he could exercise his legal rights of redress, they know what would happen.

Mr. Hawke: I have said everything about him outside of the House, as I have said inside. What have I said inside the House that I have not said outside?

Mr. COURT: If the member for Beeloo were to say outside of Parliament a fraction of what he said here, concerning this gentleman, he knows what would happen to him.

Mr. Jamieson: You call him a gentleman. What did he do in England with the Government's money? The same as he did here; and you know that.

Mr. COURT: There the honourable member goes again, knowing that the man concerned cannot deal with him while he is speaking in this Chamber. The honourable member will not give him a decent opportunity so that he could deal with the honourable member elsewhere.

Mr. Graham: You cannot get Reddish to deny that he made a donation to your party.

Mr. COURT: I do not even propose to ask him. I have nothing to do with the finances of the Liberal Party.

Mr. Hawke: Would the Minister tell me what I have said about this man here that I have not said about him outside?

Mr. COURT: I could not quote off-hand. The honourable member said some shocking things about him in this House.

Mr. Hawke: I have said the same elsewhere. It is well known that most of the election funds of the Liberal Party in the last election were "reddish".

Mr. COURT: If we were to deal with this question of election funds, the Opposition would be getting into fairly deep water.

Mr. Brand: I heard the Opposition has £15,000 available for the next election from one source.

Mr. Jamieson: That is all right.

Mr. COURT: Is it?

The SPEAKER (Mr. Hearman): Order! I think there has been quite enough interjecting. I do not mind a certain amount of it, but one at a time is good enough.

Mr. COURT: Thank you.

Mr. Rowberry: What about putting up some—

The SPEAKER: Order!

Mr. COURT: If the Opposition wants to get down to the question of election funds it can bring the matter up at any time it likes in this House, because, stripped of all its guf and all the niceties of it, if I had to choose between being a friend of a big man in business or the bosom pal of the bookmakers, I know which one I would choose.

Mr. Graham: You are both!

Mr. COURT: I am afraid I am no friend of the bookmakers.

Mr. Graham: You used to go every year to illegal bookmakers for a hand-out. You went and asked them for it.

Mr. COURT: Who did?

Mr. Graham: The Liberal Party.

Mr. COURT: Nonsense!

Mr. Graham: That was brought out in the Royal Commission evidence.

Mr. COURT: If I might now deal with something to do with the State Building Supplies I will proceed. After all the nonsense that has been stated, and all the bitterness, spleen, and personal malice which has been displayed, something had to be said about it before I could get on to the main purpose of the amendment.

Mr. Jamieson: That won't get you anywhere—

The SPEAKER (Mr. Hearman): Order!

Mr. COURT: The sale of the State Building Supplies to the Hawker Siddeley group honours an election promise.

Mr. Tonkin: No it doesn't. The election promise was that the sale would be made at a fair and reasonable price. It was not stated that it would be a give-away.

Mr. COURT: The election promise was to transfer the State Building Supplies to private enterprise. If anyone dares to say boo to the Deputy Leader of the Opposition when he is speaking he gets very worked up, but when anyone else is speaking he comes out with irrelevant and irrational statements.

Mr. Graham: No. He wanted the Minister for Police to come in last night, but he wouldn't.

Mr. COURT: We take notice of what we are told by the Speaker. We stated in the policy speech that we would sell the State Building Supplies at a fair and reasonable price, ensuring reasonable protection for employees, and continuation of the industry within the economy of the State. The member for Mt. Hawthorn may laugh, but it is factual and has to be repeated because the members of the Opposition keep claiming that we have not honoured our promises. Every one has been faithfully honoured.

Mr. Graham: Tommyrot!

Mr. COURT: A new and powerful interest has been introduced into the timber industry with the prospect that new markets will be opened up for our timber. With the entry of this group with its diversified interests the State has a wonderful chance for expansion in industry. What is even more important is that the State Building Supplies can settle down to a developmental programme as an ordinary free enterprise undertaking within the economy of the State and no longer will the employees be subject to this fear of becoming a political football.

Mr. Heal: The same as the 1,000 men who were dismissed from the Public Works Department.

Mr. COURT: The range of careers will be increased because of the fact that employees will have opportunities for careers within the whole of the group instead of being restricted to sawmilling and brick-making.

Mr. Graham: You ask the employees.

Mr. Rowberry: What employees?

Mr. COURT: The new company has to pay rates and taxes, licenses, and a host of other charges that the State Building Supplies never paid. No longer will local authorities have to come on bended knees to the Government for *ex gratia* payments in lieu of rates or licenses of trucks, in their area, which belong to the State Building Supplies. Over 200 vehicles had to be licensed as a result of this sale, and already the reaction of the country local authorities can be seen in the country Press. The country local authorities are realising the importance of the matter and are asking the firm to license its vehicles in their areas, which is fair and reasonable. But the State Building Supplies paid none of these fees, and the local authorities got nothing by way of *ex gratia* payments.

Mr. Graham: I understand that these trucks are still getting around under Government number plates.

Mr. COURT: That is not the fault of Hawker Siddeley. That firm is, from the 1st July, 1961, paying the license fees; and as fast as it can the Traffic Department is transferring them over. But I can assure the honourable member that as from the 1st July they are being paid.

Mr. Graham: You could get a junior girl to do that before lunch on one day.

Mr. Brand: We are not all as clever as you are.

Mr. COURT: Another important result of this sale is the fact that the Banksiadale mill has been incorporated into the timber industry of this State. It might not be generally known to the House but this has been strongly advocated by the Forests Department for many years, because it has claimed, and rightly so, that until the Banksiadale mill is incorporated into the timber industry of this State there cannot be an economic utilisation of the forest produce in connection with the Banksiadale mill.

Mr. Bovell: And no-one knows that better than the member for East Perth.

Mr. Graham: Don't misconstrue the desires of the Forests Department. It did not say you ought to give the thing away. As a matter of fact—

The SPEAKER (Mr. Hearman): Order!

Mr. Graham: —the Forests Department said that it should be part of the State Building Supplies; not part of the Hawker Siddeley group.

The SPEAKER: Order!

Mr. COURT: The member for East Perth has anticipated my next remark. The Forests Department has consistently advocated that it should be incorporated into the timber industry by one means or another. It complained bitterly that the Railways Department was using beautiful joinery timber in sleepers. The former Minister, now the member for East Perth, knows that to be true. He knows that the Forests Department was horrified that the good timber was being used for that purpose. This will not now be necessary with the incorporation of the Banksiadale mill into the timber industry. In fact, I can say that if there had not been a sale of the State Building Supplies with the Banksiadale mill, the Government would most probably have by this time incorporated the Banksiadale mill into the State Building Supplies. That was the intention of the previous Government at one stage when it considered this proposal.

Mr. Rowberry: Does the Banksiadale mill cut only sleepers?

Mr. COURT: No.

Mr. Graham: It was not the intention of the previous Government. The previous Government considered the matter.

Mr. Bovell: The then Minister for Forests was favourably disposed towards it.

Mr. COURT: Another advantage is the fact that no longer will loan funds be necessary for the continuation of the enterprise; and there is no doubt that by an examination of the position it has been found that a very large sum of money has to be invested in the undertaking to re-organise it in order to bring it up to modern standards. It means that the loan funds which would have been necessary for this purpose can now be used for matters which are more of a State responsibility; and, as I mentioned earlier, the industry will still go on and become stronger rather than weaker because of the transfer.

Mr. Graham: Yes; that is what we are afraid of—that it will be stronger at the expense of the State.

Mr. COURT: Do you not want the industry to get stronger?

Mr. Graham: Yes; but not by jacking up the prices.

Mr. COURT: The expansion of the concern is already assured under the contract, because the firm is obligated to spend £500,000 of its own funds, preferably over a three-year period but no longer than a five-year period. We know that is going

to occur without any cost to the Government because it is a condition of the contract. The company must invest £500,000 in expansion.

Mr. Rowberry: It still gets a bargain.

Mr. COURT: This agreement is worthy of some comment and I will deal as quickly as I can with some of the most important points. The Hawker Siddeley price is divided into two parts. The first part is the price for what is normally known as the fixed and tangible assets of the concern in respect of buildings, saw-mills, plant, and the like, for which the price is £1,000,000. On top of that the company pays, as at the 30th June, 1961, for all the brick stocks, the work in progress, and what are known as the general trading stocks. In other words, it is taking over, at the 30th June, 1961, at agreed valuations and *in toto*. That is an accepted debit by the new owner.

Mr. W. Hegney: Who was the valuer for the State Building Supplies?

Mr. COURT: I will come to that. The remainder of the consideration will come from the book debts which are to be collected by the company at its own expense on behalf of the Government; and the other part of the consideration will be from a realisation of the main timber stocks.

Mr. Tonkin: Are the book debts included in the £2,200,000?

Mr. COURT: Of course they are! They are part of the assets; but they are being realised at the expense of the company and not of the Government.

Mr. Tonkin: The Banksiadale mill itself is worth over £500,000.

Mr. COURT: If the honourable member is finished, he will learn a lot of things this afternoon.

Mr. Tonkin: I know I will; I will learn a lot of chicanery.

Mr. Graham: In the last return available sundry debts constituted the best part of half-a-million pounds.

Mr. COURT: At the last return it was about £400,000. It varies according to the rate of business and collections.

Mr. Hawke: Why don't you give it to them for nothing? Which is just what you have done!

Mr. Jamieson: That's what they did.

Mr. COURT: I am not going to try to teach those who do not want to learn; or to try to drum it into the heads of those who do not want to listen.

Mr. Graham: You are not talking to a Liberal kindergarten now.

Mr. Hawke: It is a bright piece of bush-whackery.

Mr. COURT: With respect to stocks, the arrangement is that the company will accept them on consignment and realise them on behalf of the Government. The

conditions laid down on which they will realise is that the company has to have the care and custody of the stocks, and do the accounting for them, and the Government has the complete right of inspection and right to those stocks until acquired by the company.

Mr. W. Hegney: The timber or the bricks?

Mr. COURT: Right to the timber. The other stocks have been taken over as at the 30th June, and there is no consignment basis in respect of those—the company pays for them as a separate item. It becomes part of the consideration.

I will deal later with the reason why we separated the main timber stocks from the other stocks. With respect to the first £250,000 of these timber stocks, there is a discount of 10 per cent. In respect of the balance, there is a discount of 20 per cent. except in the case of karri where the discount is higher; namely, 25 per cent. There is also provision for negotiation between the Government and the company in special cases. There is ample provision for the recording, care and custody, and inspection and checking of the stocks; and the Government has complete access to all of these places so that it can satisfy itself on the accuracy of the stocktaking and stockkeeping records.

Perhaps the most important protection for the Government in its effort to get the maximum value from these stocks is the fact that the purchaser will not sell its own trading stocks acquired after the sale date of the 30th June, 1961, in preference to the Government's trading stocks; and what is more, the company will sell the Government stocks in the normal selling rotation of its business, as well as being obligated to use its best endeavours to quit our stocks as quickly as it can.

The whole of the stock realisation period could vary from a matter of a few months to a matter of two or three years. The agreement provides for a maximum time of three years by which finality has to be reached with the consignment stocks.

So far as the rest of the agreement is concerned, members will have realised that it follows the general pattern of a sales agreement, except that in some cases there are complexities introduced because of the fact that this was a State trading concern being sold to private enterprise and not a private enterprise sold to another private enterprise concern. For instance, we had to be careful to make sure that we cancelled out all the inherent statutory powers of the State Building Supplies when it became a private enterprise show. It was not intended that the new company should have any trade advantages over its competitors because it had purchased a Government trading concern which had certain statutory privileges and benefits, most of which are known to members—such as

freedom from rates and taxes, priorities in debt collection, and the like, all of which would mean unfair competition.

One of the conditions of sale is that the Government has to use its best endeavour to stimulate the sale of karri. This is not aimed at the company itself, but would benefit the whole of the timber industry. It is long overdue, and I think it was referred to very often by the former Minister for Forests. It is only a matter of time when a greater sale of karri must take place. It is acknowledged by the Government that it will do its best to stimulate the sale of karri in view of the importance of the timber industry to this State. It is of benefit not only to the company but to the whole of the timber industry.

I have referred to the fact that the company has to contribute half-a-million pounds for development works from its own funds over the next five years, and preferably over three years. The sum of £200,000 was the deposit, the balance to be paid by 17 yearly instalments. The first of these is due on the 1st July, 1965. The reason why the respite was granted—although interest runs on during that period—is that that is the period during which the company has to reorganise and improve the general efficiency of the State Building Supplies by the introduction of its own capital.

Mr. Graham: Did I hear the Minister rightly: That the company will pay no instalments for the next three or four years?

Mr. COURT: That is correct. There is nothing peculiar about that. It completes the deal within twenty years.

Mr. Graham: It is incredible!

Mr. COURT: It is not incredible; it is logical and sensible. The whole agreement is underwritten by the Hawker Siddeley group.

Mr. Hawke: The scandal gets worse and worse.

Mr. COURT: Although the agreement is written with a subsidiary company, the whole agreement is guaranteed by the parent Hawker Siddeley group.

Mr. Tonkin: Did the Minister mesmerise his colleagues in the Cabinet?

Mr. COURT: I heard an interjection by the Leader of the Opposition about scandal. He and his supporters over there have been out with their muck rakes and their poison carts. They have been casting their nets hither and thither, hoping they will get something in their nets that will have a breath of scandal about it. Their great disappointment is that they cannot find a thing.

Mr. Hawke: This is the greatest scandal the State has ever known, and the Minister is the arch conspirator in the business. I hope he heard that.

Mr. COURT: I have got so used to hearing these venomous remarks from the Leader of the Opposition, with all his political skulduggery and humbug, that they no longer mean anything to me or to the public. The sad day for me is going to be when he stops using them.

Mr. Hawke: I will never stop while the Minister perpetuates scandals like this.

Mr. Graham: The Minister has the hide of a rhinoceros.

Mr. COURT: If the Leader of the Opposition keeps on his venomous attacks upon me, it suits me fine because it is understood by the public where he stands.

The SPEAKER (Mr. Hearman): Order! The Minister will address his remarks to the amendment.

Mr. Hawke: Absolute robbery!

Mr. W. Hegney: Does the company pay the balance in 17 equal instalments?

Mr. COURT: The company must pay the balance of the purchase price whatever it is when the realisation has been determined. After the sum of £200,000 deposit, the company pays the balance in 17 equal instalments. The purchase price carries interest from the start of the transaction. The Government is not out of pocket over this, as the company is paying interest.

Mr. Hawke: But the people will be.

Mr. COURT: The people will not be out of pocket; they will be well and truly in pocket. If only a couple more classrooms are built each year it will be of benefit to the State. There were approximately three offers of about the same amount, all couched in different terms; but they were all about the same amount. Two of the three were local firms; but after careful consideration it was felt desirable to accept the offer of the Hawker Siddeley group in preference to those of the local firms.

Mr. Graham: Were the local firms offering the same amount?

Mr. COURT: One was slightly higher and one was about the same amount.

Mr. Heal: Who were they?

Mr. COURT: The main local tenderer, as members opposite well know, was Bunning Bros.

Mr. Graham: And who was the other one?

Mr. COURT: It was felt that it would be desirable to get a new influence into the timber industry of the State. This would remove any suggestion that competition had been contracted, and it would remove any suggestion that any so-called friends of the Government had been benefited by this transaction. I can imagine what would have been happening today, and the wording of this amendment if we had sold the S.B.S. to Bunnings, the

Kauri Timber Co., or Millars. Just imagine! I could almost write the amendment word for word.

We would have been asked why we had not brought in a new influence and a big overseas company into the timber industry—new life and blood into the industry, and all the rest of it. We have brought an overseas company into the industry, and so the Opposition has reversed its tune. I noticed that the Leader of the Opposition in another place criticised the Government for not giving a local company a go.

Mr. Bickerton: The price is what we are concerned about.

Mr. COURT: As regards the question of price, this thing is being blown up by the Opposition as though it is something remarkable. No matter what one has to sell, in the final analysis it boils down to what that asset can earn, or what somebody is prepared to pay for it. It is no good getting the idea into one's head that something is worth £X million if no-one is prepared to pay that price for it, or if the organisation itself is not capable of earning sufficient to justify that price.

Mr. Bickerton: That is if you are desperate to sell.

Mr. COURT: We were not desperate to sell it, but it was sensible to sell it; and it was a policy decision to sell it, and that decision was endorsed by the people of the State.

Mr. Tonkin: To sell at any price?

Mr. Graham: Just wait a few months and see if it is endorsed!

Mr. Roberts: We ought to sell the Opposition.

Mr. COURT: I want to make this observation, although I know it will be derided by the Opposition; but nevertheless it is factual: If the people who were negotiating this had insisted on buying the S.B.S. at its earning capacity we would not have got nearly as much for it as we did get out of the transaction.

Mr. Tonkin: Apparently Bunning Bros. thought differently.

Mr. COURT: I am telling the honourable member that if the price had been determined on what the organisation is capable of earning we would not have got anything like we did get for it.

Mr. Rowberry: What of the profits of, and interest paid by, the S.B.S.?

Mr. COURT: I am coming to that in a minute, and the honourable member is not going to like it when I tell him. But these people were prepared to pay something for the fact that they could improve the efficiency, effectiveness, and earning capacity of this place in spite of the fact that they had to pay rates, taxes, licence fees, sales

tax, and all the other incidentals that a Government show does not have to meet, and from which it is exempt.

Mr. Hawke: Wonderful!

Mr. COURT: The test of it is this: A big American corporation—a most efficient concern that we would have liked to see come to this State—made a careful examination of the S.B.S.; and the offer that company made—and I repeat it is one of the most able and capable firms in the world and would have been an asset to Western Australia—was less than half the price that we have now received because—

Mr. Hawke: It is a wonder you didn't accept it.

Mr. COURT: —the company was not prepared to pay for the privilege of re-organising this show at its own expense, and having to bring in its own know-how and improved trading methods to make it into a profitable concern. The company said, "Why should we pay for the privilege of doing that? We will pay what the company is worth now and no more." In that case, naturally, we did not accept the company's offer.

Mr. Hawke: You surprise me.

Mr. COURT: I am glad I have surprised the Leader of the Opposition at last.

Mr. Bickerton: To sum this up, can we say that you would have no objection to a Royal Commission?

Mr. COURT: An important factor is that in getting a price for the concern we insisted, as a matter of Government policy, that the enterprise had to be sold as a complete unit. If we had been prepared to dismember the organisation and sell the brickworks to somebody, one mill to Bunnings, another mill to Millars, and another mill to the Kauri Timber Company, we would have got much more than £2,200,000 for it. But I can imagine the hue and cry there would have been if we had dismembered the show and sold it unit by unit.

Mr. Hawke: Who from?

Mr. COURT: It would have been virtually like scrapping a motorcar, or something of that nature; and we insisted on selling it in accordance with our promise to keep it going as an entity within the economy of the State. We insisted on selling it as an entity with the brickworks, the sawmills, and everything else. They all had to go together as one complete business unit.

Mr. Bickerton: A very liberal agreement!

Mr. COURT: Finally, in connection with the price aspect, it is significant that all the offers that were taken seriously were in the vicinity of the £2,000,000 mark. Surely all these independent offers, coming from people who know their business, give some indication of the true commercial worth of this undertaking!

Let us look at the value of the assets in the S.B.S. as compared with those of a successful private show, which is a public company—I refer to Bunnings—in considering this price which was negotiated for the S.B.S. It is not irrelevant to refer to that company's balance sheet, because it is a public company and its figures are made public under the Companies Act. There is no secrecy about them, and it is not unfair to quote them, because they have been quoted before this.

Mr. Tonkin: Do Bunnings sell bricks?

Mr. COURT: Would the honourable member like me to read out the list of Bunnings subsidiaries?

Mr. Tonkin: I said: Does the company sell bricks?

Mr. COURT: What the company is selling at the moment in the way of bricks I do not know, but for many years it owned Dunbrik.

Mr. Hawke: Who's he?

Mr. COURT: At the 30th June, 1960, the holding company and its ten subsidiaries had a consolidated balance-sheet value of assets of something less than £2,200,000. Members know the company's trading performance over the years. It is one of the efficient firms in the industry in this State; it is a progressive concern; and I ask members of this House: If they had to choose between buying the State Building Supplies for £2,200,000 and the whole of Bunnings and its subsidiaries for £2,200,000, which would they buy? They would not hesitate. They would buy Bunnings without a second thought.

Mr. Tonkin: Is Bunnings up for sale for £2,200,000?

Mr. COURT: I am sure it is not.

Mr. Tonkin: Of course not!

Mr. Hawke: The price would be nearer £5,000,000.

Mr. COURT: Bunnings is a progressive show in the business world, and naturally it will stay in business; but if members opposite had to choose between the two, which would they take? Naturally they would take Bunnings.

Mr. Hawke: No; why?

Mr. COURT: Surely that gives members some indication—

Mr. Tonkin: It gives you no indication.

Mr. COURT: —of the true asset value.

Mr. Graham: You know that the capital values shown in the balance sheet cannot be compared with realities. You know that.

Mr. COURT: Investors in the State have to invest their money on certified balance sheets.

Mr. Tonkin: There's one thing: You wouldn't dare put up that illustration to a gathering of accountants. They would laugh you out of court.

Mr. COURT: That is where the honourable member is wrong; that is the very sort of thing they would want to know. They would want to make a comparison of the organisation with a concern which is operating profitably and compare its capacity. That is the first thing anyone does—to compare cases.

Mr. Tonkin: You would want to know what the rate of depreciation was.

Mr. COURT: The reason I am comparing Bunnings and the S.B.S. is that they are in the same industry, and both are large concerns.

Mr. Hawke: Bunnings would not sell for £4,000,000.

Mr. Tonkin: The illustration would be all right if Bunnings were up for sale.

Mr. COURT: The assets of Bunning Bros. are shown as about £2,000,000; but those of the S.B.S. and the Banksiadale mill are shown on the balance sheet at £3,700,000. Surely to even a child that indicates there is something wrong with the book value of the State concern!

Mr. Tonkin: There is something wrong all right; you have only to read the Auditor-General's Report to see that!

Mr. COURT: When we started to investigate this business with a view to selling it we realised we could not possibly expect to get the balance-sheet value, and we brought in an outside independent valuer to value the assets of the S.B.S. A man named J. W. Youl was brought from Victoria. He was highly recommended and a man of very wide experience.

Mr. Hawke: Who recommended him?

Mr. Jamieson: Sir Arthur Warner.

Mr. Hawke: That is probably right.

Mr. COURT: I am sorry to disappoint the Leader of the Opposition, but in point of fact we asked the Manager of the State Building Supplies to give us a panel of names of those competent to value this concern; and it was from that panel of names that we selected Mr. Youl, without having seen him or known him before. He was, however, highly regarded, because he had had wide experience in the timber industry in Victoria. He was chief forester in the Victorian Forestry Commission, sales and marketing officer, and production manager.

The SPEAKER (Mr. Hearman): Order! The honourable member's time has expired.

Mr. WILD: I move—

That the honourable member's time be extended.

Motion put and passed.

Mr. COURT: Mr. Youl is very highly regarded in all branches of the timber industry.

Mr. Fletcher: And by Hawker Siddeley too.

Mr. COURT: I do not think they even know the man. So as to ensure that everything was conducted at the highest possible level, Mr. Youl was given the opportunity to engage an engineer of his own choice; and he engaged Mr. Alexander Rowe of A. B. Rowe & Sons of South Australia, to assist on the actual sawmilling plant, that is, the technical engineering side of the plant. He was also given permission to engage a chartered accountant of his own choice to confer with him on matters of special financial interest.

Mr. May: Was that another South Australian?

Mr. COURT: No. He chose his own chartered accountant, and he selected a Western Australian.

Mr. Fletcher: How do you spell the A. B. Rowe to whom you referred.

Mr. COURT: This man's name is spelt R-o-w-e. After a very thorough examination Mr. Youl came to the conclusion that the maximum price we might expect from the State Building Supplies' fixed assets—such as sawmills, distributing yards, plant, houses, etc.—was £677,705; and from the Banksiadale mill, £252,260; making a total of £929,965.

This gentleman did not attempt the valuation of the brickworks, because he has specialised in the timber field. An assumed value of £250,000 was added for the brickworks, giving a total of £1,179,965.

Mr. Tonkin: Didn't the Minister for Works spend £80,000 on a new brickworks?

Mr. COURT: We could not bring in an independent valuation of the brickworks because we could not find a suitable valuer. We even asked the Premier of New South Wales to help us in this matter because we thought his advice would be acceptable to the Opposition.

Mr. Tonkin: Why did you not ask the Minister for Works? He spent £80,000.

Mr. Hawke: The Premier of New South Wales would not allow any of his men to come under your influence.

Mr. COURT: I am sure that with interstate co-operation he would have been only too pleased to do so if he had had the right man. Back in November and December 1960, Mr. Youl approached the matter on a basis which is an acknowledged basis in a valuation of this type; namely, on a price that a willing but not an anxious seller would accept, and at a price that a prudent but not an unwilling buyer would pay in the case of a *bona fide* transaction. To be sure there would be no argument about this we even asked the Solicitor-General whether that would be a fair and proper approach to the valuation.

Mr. W. Hegney: Who valued the brickworks?

Mr. COURT: It was an assumed value, and the reason why we used that is that it indicates the value that people were prepared to pay for the brickworks as a separate entity. Mr. Youl considered in his report that £400,000 would be needed to reorganise and further develop the timber section of the State Building Supplies, and this is excluding mobile plant estimated to involve a further £250,000 to be replaced over five years, and which it is assumed normal depreciation allowance and other sources outside of new capital will cover.

While we are on the question of valuation and prices, I think it might be appropriate if I made some comments concerning the views of the General Manager. If members will look up the reports that have been tabled for the years 1958 and 1960, pages 10 and 7 respectively, they will see that the General Manager was pressing for a revaluation of the assets; not to have them revalued upwards, as has been suggested by the Leader of the Opposition, but to get them on to realistic values. It is significant that Mr. Gregson supports in general the valuations arrived at by Mr. Youl.

Mr. Tonkin: But he is on your side.

Mr. COURT: No; he is not.

Mr. Bovell: Who is on our side?

Mr. Tonkin: Mr. Gregson.

Mr. Bovell: You are just being political.

Mr. COURT: Do not be unfair to the man; he served your Government very well.

Mr. Tonkin: I am being perfectly fair; and I think he would be glad to be so regarded.

Mr. COURT: Mr. Gregson is a man who has done his best both for your Government and ours.

Mr. Bovell: The honourable member is just being completely political.

Mr. Tonkin: Rats!

Mr. COURT: In view of the fact that the members of the Opposition place complete reliance on the reports of the Auditor-General, they will be interested to know that he has studied the Youl report and he does not disagree with the valuations arrived at.

Mr. Tonkin: The Minister for Works must have squandered the £80,000 he spent on the State brickworks.

Mr. COURT: Again I would like to repeat that the Auditor-General has been pressing for this revaluation, because it is mentioned in the Auditor-General's report on previous occasions that a revaluation of these assets was promised so as to bring about a more realistic book value in respect of this trading concern.

Mr. Graham: Did he indicate they should be written up or down? You are saying something by inference.

Mr. COURT: If the honourable member was manager of the State Building Supplies and was trying to show a return on his business, and was having great difficulty in showing a profit, he would not be likely to say to the Government, "Please blow up my assets so that my results on a percentage basis will look worse." He would seek a realistic valuation to get them down, because there is no doubt that they have been grossly overvalued over the years; and under the peculiar system of Government accounting, I think it is inherent in all concerns that they go on like this from year to year. The railways periodically have had considerable write-offs because they are over-capitalised to glory. We have had the same thing at Wundowie and with Chamberlains. It is not new.

Mr. Hawke: They are new industries, where great development costs had to be met. Why make that comparison? You know it is not appropriate.

Mr. COURT: It is, because the State Building Supplies have expanded in this venture in difficult times and under difficult conditions. After the last world war their entry into the brick business could not have come at a worse time. Materials were short, labour was short, and costs were sky high; and it is only natural that they would finish up over-valued on the books as against the commercial value.

Mr. Hawke: It was not a new industry; it had been there for many years.

Mr. COURT: I am not going to get involved in a discussion on over-capitalisation, because it could be wrongly construed as a reflection on some of the managers of the State Building Supplies.

Mr. Hawke: You were getting involved until you were pulled up short.

Mr. COURT: Let us face it that these assets were over-valued in the books. On the question of trading I find that the Opposition is on its weakest ground. The Leader of the Opposition has tried to imply that the State Building Supplies have been a little goldmine to the State. As at the end of June, 1960, their total profits since 1913 would be about £670,000.

Mr. Rowberry: What is wrong with that?

Mr. COURT: There is something to come off that. If one works it out at so much per annum one cannot make it £15,000 per year.

Mr. Hawke: How much interest did they pay?

Mr. COURT: Any concern has to pay interest.

Mr. Tonkin: No it doesn't.

Mr. COURT: The Kauri Timber Co., Millars', Bunnings, and many other firms I could mention have all borrowed money on which they pay interest; and they have to pay that first before profits are struck.

Mr. Tonkin: They do not pay interest on the whole capitalisation.

Mr. COURT: They have to pay interest on borrowed money, which is usually a high proportion of the paid-up capital itself.

Mr. Tonkin: You mention a firm that has borrowed more money than capital.

The SPEAKER (Mr. Hearman): Order!

Mr. COURT: If the honourable member wants me to go into that, I will do so, as I have one in front of me.

Mr. Tonkin: Do it!

Mr. COURT: In the case of the State Building Supplies, over the years since 1913 to 1961 it has averaged less than £15,000 per year, overlooking the fact that extra depreciation should have been written off over the years to bring the assets to a decent book value.

Mr. W. Hegney: You forget the reason it was permitted, especially to the State Saw Mills.

Mr. COURT: If one looks at the periods over the last five years, during most of which there was a Labor administration—

Mr. Tonkin: Most of the last five years were under a Labor administration?

Mr. COURT: I am speaking of up to June, 1960. I am speaking of the last five years to June, 1960, which are the last audited figures. I quote from the Auditor-General's comments in his review of the Youl report. They read as follows:—

Losses on trading for the five years 1955-1956 to 1959-1960 amounted to £223,557 after writing up the value of timber stocks by £76,000, or a total trading loss of approximately £300,000.

In other words, he says the total trading loss is one of approximately £300,000 per annum over that five years, most of which was during the Hawke Government's administration, and during the time when the State Building Supplies received £500,000 directed business, without any selling costs and without any risk. It is a strange thing that during the next year, 1960, on the change of Government, when the State Building Supplies had to resort to ordinary business methods and practice on account of Government policy, the organisation lost less money than in the previous year under the Hawke administration.

Mr. Graham: You are taking isolated dates. I will give the story when you sit down.

Mr. Tonkin: What is the explanation for that?

Mr. COURT: I can only assume—

Mr. Tonkin: You are going to assume?

Mr. COURT:—that the previous Government was satisfied to allow the State Building Supplies to be run on that basis

and to lose that money. I am quite certain that when we took over we were not prepared to.

Mr. Tonkin: What did you do?

Mr. COURT: First of all we tried to help the manager to run the undertaking as an ordinary trading concern. Members will recall that I was subject to quite a bit of criticism over preference to the State Building Supplies' customers in respect of bricks.

Mr. Tonkin: So you helped him by taking away some of his custom.

Mr. COURT: We allowed him to follow normal trade practices. We allowed him to say to people, "If you want to buy bricks, which are temporarily in short supply, you will have to do some timber business with me." We allowed that to demonstrate we were not stupid about this. We wanted to run the undertaking as efficiently as we could in order to get the best result out of it without spending large sums of capital on reorganisation, knowing that it was our policy to sell. As a result of our policy we lost less money during the first year than was the case under the previous administration when the concern received directed business.

Sitting suspended from 3.45 to 4.5 p.m.

Mr. COURT: Before afternoon tea I had been talking about the trading performance of the State Building Supplies in the five years up to the 30th June, 1960. The important thing to realise when considering these figures is that these results were achieved not during a time of credit squeeze but when Australia, generally, was enjoying a period of great prosperity. It is rather interesting to note the incidence of these losses, because they may be summarised as follows:—

	Losses £
1956	62,123
1957	57,108
1958	11,153 (profit)
1959	46,867
1960	35,371

On top of that, of course, there is the figure—to which the Auditor-General has referred—of £76,000, which is not a trading profit, but a figure by which the stocks were adjusted by the management at a balancing date.

I would like to make some comments regarding Banksiadale. There are very good reasons for the incorporation of this mill into the State Building Supplies as part of the sale; and this would have been justified had the sale taken place or not. It was in accordance with previous attempts to integrate the Banksiadale mill into the overall timber industry of this State and so ensure a better use of forest produce.

It has been the contention of the Forests Department for some years—and on a close examination it is a *bona fide* contention—that a better use of forestry products would be achieved if this mill were integrated into the timber industry. The railways are to receive approximately the full book value for the Banksiadale mill; and it is interesting to note that the manager of the State Building Supplies, when this matter was under discussion before the question of sale to an outside party was really an urgent or a current issue, wanted to absorb the Banksiadale mill at £200,000. That has nothing to do with the valuations of Youl or any outside authority, or any prospective purchaser; that was his understanding of a reasonable basis on which to absorb the Banksiadale mill into the State Building Supplies organisation. On seeing the Youl valuation, the manager of the State Building Supplies agreed that, because of other factors disclosed by Mr. Youl, the £252,260 valuation by him was the more correct.

It was made a condition of the sale that in view of the Banksiadale mill being taken from the railways, the purchaser would be obligated by contract to ensure long-term supplies to the railways—that is, long-term supplies of indigenous timbers—and the period of 10 years, with the right of renewal for a further period of 10 years, was fixed, as will be seen by members when they see this particular contract, which is a separate contract from the main sale agreement. This one was made directly between the railways and the Hawker Siddeley subsidiary.

The company is obligated to supply at least 25 per cent. of the Railways Department's sleeper requirements. For indigenous timbers, other than karri, the price is subject to a trade discount off the metropolitan list of 17½ per cent. The actual freight from the supplier's mill is then deducted, and a further discount of 2½ per cent. is available for payment within 21 days.

So far as karri is concerned, the discount is greater because the trade discount in that case is stepped up to 20 per cent.; and, of course, the same arrangements regarding freight and cash discount prevail.

The sleepers are to be made available at the weighted average price per load of all first-class sleepers for which tenders are accepted with a minimum price of £21 f.o.r at the W.A.G.R. siding nearest to the suppliers' mill. I think members will appreciate that the £21 is a realistic figure. It is much less than the sleeper price at which tenders were accepted in 1959. It is a satisfactory basis, I think, for the railways, and a reasonable one so far as the company is concerned.

The all-important question of employees is the next matter I wish to comment on. We made a promise in respect

of the employees, and that promise has been fully honoured. The arrangements that have been entered into by discussion with the union representatives and the Government are clearly set out in the contract that was tabled yesterday. They refer to annual leave, sick leave, long-service leave, superannuation, and the conditions under which notice can be given; and that is a commitment far beyond the actual legal commitment of the Government.

In our discussions, the attempt by the Government was to do what was generous, fair, and reasonable in the circumstances, because the employment conditions of the men were being changed; and I think that by and large it has been acknowledged by the unions and the employees that that result was achieved.

The main difficulty that we felt would confront us was in respect of superannuation. However, I am pleased to report that the company made a special effort to put up to the employees as quickly as it could a superannuation scheme.

Mr. Rowberry: At whose request?

Mr. COURT: The Government asked the company to examine a superannuation scheme as quickly as possible.

Mr. Rowberry: Who requested the Government?

Mr. COURT: I was acting on behalf of the Government.

Mr. Rowberry: Did you do it voluntarily?

Mr. COURT: Definitely.

Mr. O'Neil: He did it because you asked him!

Mr. Rowberry: He did not do it until it was brought to his notice.

Mr. COURT: That is completely untrue, because the question of superannuation was a matter of major moment in our discussions with the Hawker Siddeley people before the agreement was signed and when we were getting close to the final conditions of the agreement. It was nothing to do with the unions, or anyone else for that matter, because we were anxious that all these headings should be satisfactorily dealt with.

Mr. Tonkin: Can you say, off-hand, what it will cost the Government immediately in cash?

Mr. COURT: I would not like to be committed to this figure as a firm figure, but we estimate it will cost about £80,000 in addition to what the State Building Supplies has already provided for in its balance sheet. The amount in its balance sheet is an unrealistic figure in respect of the liability of long-service leave and other commitments concerning the employees. We ignored that completely and used for our discussions the report of a committee that was formed of representatives from the Treasury, the Superannuation Board,

and the Public Service Commissioner, to examine the proposal the Government should make.

I might add that we have done better than the committee suggested, because there were certain aspects that we, as a Government, were able to take into account, as a matter of policy, that the committee could not deliberate on.

I understand that only four people have not elected to join the superannuation scheme or have not been eligible to join it. I am not sure whether it is because they are not eligible or whether they have declined; but there are only four who have not enrolled in the superannuation scheme of the company.

Under the terms of the agreement, provision has been made that if the new owner wants to give notice of dismissal to more than 10 people in one month in one location, it has to confer with the Government at least a month before giving any notice. When members relate that condition to the amount of notice that has to be given during the first 12 months, they will see that it does give more protection, actually, than the men would have received under the old conditions of service of the State Building Supplies.

The company has gone further than that, and further than the agreement, by agreeing that, if through any set of circumstances the overall numbers, within the organisation, that it wants to dismiss or retrench in one month is more than 20, likewise it will confer with the Government in ample time before giving such notice. I think the provisions that have been incorporated here are far better than the Opposition, or the unions, or the employees themselves, for that matter, ever thought the Government would achieve.

I want to explain briefly before I finish, the reasons—

THE SPEAKER (Mr. Hearman): The Minister has another five minutes.

MR. COURT: Thank you, Sir. I want to explain briefly why we placed the main timber stocks on consignment as distinct from selling them for a global figure. It became obvious during the negotiations, and from information in the trade, that the State Building Supplies were very heavily overstocked. There were grave doubts as to the condition of some of the stock; in fact, it had already been decided by the Government that if there was no sale by the 30th June there would have to be a very careful physical analysis of all stocks at the 30th June, 1961, in order that their valuation might be placed on a realistic basis.

We expected it would involve a heavy write-down, because, as members on the other side know, some of these timbers do not store well. Some can be stored almost indefinitely in proper conditions, but some do not store well at all.

It is significant that one offer—and it was a serious offer—would have given us only 10s. in the pound on the stocks. Another from a responsible party would have given us only 13s. 4d. in the pound, and rather than settle for such a figure—although it would have been money in the bank and not subject to conjecture on future realisation—we felt that we would do better if we carried the stocks ourselves and handed them over to a purchaser on a consignment basis with due safeguard for accounting, custody, and inspection.

I am firmly of the opinion that we will achieve a better result by this method of handling the stocks rather than by accepting a global figure from any one of the prospective purchasers negotiating with the Government.

MR. TONKIN: Did not the company pick the eyes out of the stock? Did it not say, "We will have that, but we will not have that"?

MR. COURT: No.

MR. TONKIN: I am told that it did.

MR. COURT: The man that gave you this information had better be told to be a bit more accurate in the future, because that is not so. The company took over the brick stocks, works in progress, general trading stocks, and some loose stocks. It took them over on the 30th June, so there is no more argument about ownership. It took them over progressively. I have already explained to the House that it is a condition of the agreement that the company must take these stocks in preference to its newly-acquired stocks.

MR. TONKIN: Has it bought some?

MR. COURT: Of course it has. In the course of trading, since the 1st July, 1961, it is naturally selling timber, and it has to sell our timber first.

MR. TONKIN: Will the Minister explain, through you, Mr. Speaker, how it will select the stocks it has taken over?

THE SPEAKER (Mr. Hearman): Order! The honourable member will have an opportunity to ask his questions at a later date.

MR. COURT: The company will take over our stocks in preference to newly-acquired stocks. Whether it sells them or not does not matter at all; we would still get that money. I am quite satisfied that that is the better method and that we have achieved a better figure than would have been achieved by accepting a global figure.

On the question of price it has been claimed that the sale of the State Building Supplies will adversely affect the price of timber to the buyer. That is just a myth, because one of the most conscientious members of the Associated Sawmillers and Timber Merchants has been the State

Building Supplies. The front bench members of the Opposition know full well that the State Building Supplies has been a loyal member of the association. They will be surprised to know, no doubt, that the price rise that took place on the 1st July, 1961, was negotiated back on the 16th May, 1961, by the association, including the manager of the State Building Supplies—when he did not know that there was going to be a sale on the 1st July—whilst the State Building Supplies was a fully-fledged member of the Associated Sawmillers and Timber Merchants.

Mr. Tonkin: He was instructed by us, but not as to price.

Mr. COURT: In his 1958 annual report he makes it quite clear that he is a full and co-operative member of the Associated Timber Merchants.

Mr. Tonkin: As a matter of fact—

The SPEAKER (Mr. Hearman): Order!

Mr. COURT: I have said most of what I want to say, and I repeat that this amendment is a matter of political non-sense.

MR. GRAHAM (East Perth) [4.19 p.m.]: We, in Australia, read of the hijacking that is taking place in and about the United States of America, and I am wondering whether the people of that country are reading and hearing about the hijacking that is taking place in Western Australia by a Liberal Party Government. I have said on previous occasions that this Government regards itself as doing a job if it is obliging powerful financial interests.

Mr. Brand: That is what we expected you to say.

Mr. GRAHAM: This is another instance of the Government doing that very thing. Nobody will deny that there are semi-depression conditions obtaining in the Commonwealth of Australia at the moment and that there is a depressed market, particularly so far as the sale of timber is concerned; and, therefore, even if it is valid to sell this concern, anybody who had the interests of the State at heart most certainly would not contemplate a sale at the present moment when practically the bottom of the market has been reached. No member of the Government would do the same in respect of his own property.

In addition to that, this Government, by deliberate action, has weakened the position of the State Building Supplies by diverting from it business to which it was ordinarily accustomed. I can do no better than to read from the 1960 annual report of the general manager of the State Building Supplies.

Mr. Brand: What do you mean by "ordinarily accustomed"?

Mr. GRAHAM: Mr. Gregson can speak for himself when I quote his remarks from this report as follows:—

Where formerly nearly all orders for timber, joinery and bricks for Government requirements were passing straight to State Building Supplies—

Mr. Brand: At the direction of the previous Government.

Mr. GRAHAM: And under the direction of the new Government. Continuing—

—we have been required to compete for such business with the inevitable loss of a considerable volume to other producers. In addition, the total volume of direct Government purchases of building materials has been reduced by curtailment of day labour activities.

Mr. Brand: He did not say, "under the previous Liberal Government."

Mr. GRAHAM: To continue—

Government business to the extent of approximately £450,000, excluding cement, has been lost.

Mr. Brand: By what are they entitled to that business?

Mr. GRAHAM: Here we have the Government weakening the position of its own instrumentality for the deliberate purpose of reducing its sale value. When that position has been reached, at a time when a semi-depression has been created and the sale of timber is even more difficult than the sale of products in any other industry, this Government decides it will proceed with the so-called sale of the State Building Supplies. Actually, it is a most flagrant hand-out of the people's assets.

Mr. Roberts: Well, the trading results were the best for years.

Mr. GRAHAM: The member for Bunbury knows something about moving the gag and, I should say, nothing about anything else.

Mr. Roberts: Childish nonsense!

Mr. GRAHAM: I wonder if members will accept this? This information was taken from the official report only today. Firstly, there were three annual reports submitted to me whilst I was Minister for Forests, and the total net profit made by the State Building Supplies for those periods was £133,887. Since the present Government has been in charge it is found that there was a loss of £35,000.

Mr. Court: And £46,000 the year before.

Mr. GRAHAM: If I may use the figures that were used by the Premier in a broadcast address, the estimated loss this year just ended is £50,000. Here we have a Minister who has had to report a loss of £85,000; and I repeat that when I was Minister I had three reports which showed a total net profit of £133,887.

Mr. Court: What years were they?

Mr. GRAHAM: The years 1953, 1954, and 1955.

Mr. Court: Now give us the figures for 1956, 1957, 1958, and 1959.

Mr. GRAHAM: There was another Minister in charge then.

Mr. Court: You are walking out on your mate!

Mr. GRAHAM: I am ranging my position as against that of the present Minister in charge of the State Building Supplies.

Mr. Court: Walking out on your mate!

Mr. GRAHAM: As is his custom, the Minister for Industrial Development picked out certain years, but excluded the years to which I have just referred for the purpose, of course, of giving an entirely wrong impression to those who do not know; and the general public if this statement appears in the Press, will gain a false impression of the situation. I say that that was deliberately done.

Mr. Brand: Five consecutive years!

Mr. Court: Five consecutive years!

Mr. GRAHAM: The unmistakable position is that the Government, in order to boost its political funds, has chosen a time when any sawmilling project is at its lowest for the past 25 years. That is, at the present moment, because everyone knows the parlous condition of the timber industry throughout the entire Commonwealth of Australia. The Government has proceeded with this sale without having made a genuine attempt to find out what assets were available for disposal.

I ranged a whole series of questions on the notice paper with the object of ascertaining whether the Government knew what it was selling. So far as I can make them out, members will see for themselves that all of the important factors have been listed in the questions. I asked the Minister what was the value of the land which is owned in its own right by the State Building Supplies—or, I should say, was owned.

Mr. Court: For a past Minister who was in charge of the show for three years, I thought those questions reflected, dismally, your knowledge of the enterprise.

Mr. Roberts: As a member of the Cabinet, too.

Mr. GRAHAM: The Minister in charge at the present moment has had ample opportunity to ascertain the information that has been sought. Surely, if the Government was selling this project, it would know how many houses were being sold, how many miles of railway line, what quantities of timber were on hand, what shipments were in transit, and so on.

Mr. Court: Most of the answers to those questions will appear on Tuesday.

Mr. GRAHAM: That is on Tuesday of next week, but I am speaking at this moment, and the sale took place several weeks ago. If I were selling something, I would surely know what I was selling and the approximate value of the various items. However, this Government does not know and, what is more does not care. We find that this Hawker Siddeley group has now been granted a timber concession which no other sawmilling enterprise in the world could obtain, or anything equivalent to it, in Western Australia, because it simply does not exist. In other words, this company has received a particular favour as a result of this wonderful asset being passed over to it. No other firm can compete, because the timber reserves are not there. Therefore, surely the timber, apart from its trading and profit value, is worth some millions of pounds to those who have newly acquired it.

Mr. Brand: But they only have the existing arrangement that the State Building Supplies have.

Mr. GRAHAM: Of course they do; but this Government cannot appreciate that the State Building Supplies is something which belongs to the people. This is a foreign company which has taken the concern over, and the profits will be sent outside Australia.

Mr. Court: They will go back into the business.

Mr. GRAHAM: That, of course, is so much wishful thinking. I quoted the other evening the statements that this Government has made about this wonderful burst of prosperity that we are enjoying. It has made those statements ever since it took office. However, things are going from bad to worse, and that is revealed by statistics.

Mr. Brand: You are only hoping that that is so.

Mr. GRAHAM: Not hoping.

Mr. Brand: Yes, hoping and praying.

Mr. GRAHAM: The Commonwealth Statistician provides figures from time to time, and they prove to be a condemnation of the Government and its policies.

I have mentioned a number of items in respect of the Government having displayed no knowledge whatsoever of the quantity or value of the assets of the State which it has so recently disposed of. I am certain if they are tabulated, and if we are able to get this information which I want in detail so that I can check it, the public will be more staggered than they were following the announcement of this give-away by the Government.

There was some jeering last evening and the evening before by some members on the back bench, when a statement was made from the Ministerial bench that there has not been depreciation or a writing-down of the assets. I can do no better than quote from the Auditor-General's

report. Referring to the 1955 accounts, he stated on page 2 of his report that the fixed assets were £996,314. He was referring to the State sawmills. He said that the balance-sheet figure of £996,314 was net, after deducting certain items, including depreciation of £764,183, and including £316,990 applied in writing off dead assets.

The puppets of the Government who sit on the back benches do not know anything about this. Those of us who have had ministerial experience and are aware of the facts know there has been a writing off. The present Minister is unaware of that, because he made the false utterance. We have the written document of the Auditor-General of the State which gives a complete lie to the utterances and jeers which came from the back benches when we protested that we were being told an untruth.

Mr. Court: The Auditor-General has agreed that the assets are grossly over-valued.

Mr. GRAHAM: I would like to see a document to verify that statement.

Mr. Court: I shall send you an extract.

Mr. GRAHAM: I can say that in 1941, after this process of writing-down had taken place, the general manager, in consultation with the Auditor-General, then departed from the practice of writing-down the assets because by that time they had reached ridiculously low figures. That was the procedure for quite a number of years, and they were not written down. I shall give some examples shortly to show precisely the situation in that regard.

References have been made by the Minister for Industrial Development to the bookkeeping methods which have been employed, and how the assets have been over-valued to present a wrong picture. The general manager, Mr. Gregson, to whom the Minister paid a tribute, said in his report for the year ended the 30th June, 1957. "Our accounting is conservative but consistent with every effort made to present results in their proper perspective." I am prepared to take the word of a senior officer reporting to the Government rather than the political utterances of the Minister for Industrial Development.

For the benefit of the House, I might mention that a few days after the give-away of the assets of the State, I had the somewhat dubious pleasure of meeting the principals of Hawker Siddeley. I can say from my place in this House that they were rubbing their hands with glee at the bargain they had received, and they were laughing derisively at the simplicity of this Government.

Mr. Brand: That is a dirty lie.

Mr. GRAHAM: Had that remark come from anyone but the Premier I would have asked for a withdrawal.

Mr. Brand: Of course it is a lie.

Mr. Tonkin: If they were not laughing they should have been.

Mr. Brand: That is not the point. The honourable member need not run to his rescue.

Mr. GRAHAM: I had long conversations with these gentlemen, one of whom I have known for over 20 years.

Mr. Roberts: Who is he?

Mr. GRAHAM: One of the principals concerned.

Mr. Brand: Name him.

Mr. GRAHAM: There is no occasion for me to do that. Regarding the sale price of £250,000 for the Banksiadale mill, a senior timber and sawmilling executive in Western Australia, who has spent practically a lifetime in the industry in the State, considers the value of the Banksiadale Mill to be £750,000, in his estimation.

Mr. Roberts: Who is he?

Mr. GRAHAM: A member of one of the well-known sawmilling companies in Western Australia informed me that if he had known such easy terms were being made available to the buyer, he would have offered £600,000 for the railway mill provided, of course, the timber permit went with it as a condition of sale. This permit covers the only virgin jarrah forest that is left in Western Australia. It is one of the most remarkable hardwood stands of timber in the world.

Mr. Roberts: Would the same individual take the remainder of the State Building Supplies?

Mr. GRAHAM: I want to go through some of the items.

Mr. Court: You have to sell this as an entity—not pick the eyes out of it.

Mr. GRAHAM: There was no question of having to sell this establishment.

Mr. Court: We have sold it.

Mr. GRAHAM: The Minister feels there was an obligation on him to get rid of the organisation at any price.

Mr. Court: At a reasonable price.

Mr. GRAHAM: I referred to two people who know more about the timber industry than the lot of us in this Chamber put together. One of them estimates the mill to be worth £600,000; and the other £750,000. Yet the Minister talks of a figure of £250,000.

Mr. Court: You can call it £1,000,000 or £2,000,000; but where does that get you?

Mr. GRAHAM: Some of the structures at the Banksiadale mill have been up for a long time. I have been right through that mill and I know it well. All of the original timbers used in the construction are in as perfect a condition as when they were first erected. I have seen the houses at the millsite, including the staff cottages. In these days, after a gentleman

named Menzies had undertaken to put value back in the pound—this may sound fantastic, but it is true—there are five staff houses at the millsite which were built for a total cost of £1,000, or £200 each. I suppose they would have been written down to between £50 and £100 under the normal rate of depreciation. I am prepared to wager that this company—if a valuation were made and an examination of the books were conducted—got those houses for between £50 and £100 each.

Mr. Rowberry: The assessed rental value of those houses was £2,250.

Mr. GRAHAM: To replace them would cost over £2,500 each at the present time.

Mr. Court: Houses on sawmill sites are a liability to the industry not an asset.

Mr. GRAHAM: In order to conduct the industry out in the bush, it is necessary to have homes for those who work there. Otherwise, there would be an obligation on the Hawker Siddeley group to construct them. I am pointing out that this company is getting these houses—which would cost the best part of £3,000 in these days to build—for between £50 and £100 each. That is typical of the transaction with regard to the Banksiadale mill.

Let us examine the position with regard to the State brickworks. When they were built the cost was approximately £750,000, again in the days before value had been put back into the pound by a gentleman named Menzies. Costs, wages, and other items have doubled since those works were first built. Therefore, I suggest that to build a brickworks of this size and capacity, and to install the necessary machinery, would cost considerably more than £750,000; I should say somewhere between £1,000,000 and £1,500,000.

Mr. Court: Nonsense!

Mr. GRAHAM: Yet the Minister told us the price was £250,000 for the three brickworks.

Mr. Court: Evidently you have not seen the figures for the building of the most modern tunnel type of kiln which is being constructed to compete with the older type of kiln.

Mr. GRAHAM: I know that the Armadale brickworks are as diamonds to Western Australia. If those brickworks were to close down—whether they be operated by the State or anybody else—the building industry would cease, because the great preponderance of bricks is manufactured by that establishment. To suggest that they are worth £250,000 today, when they cost £750,000 to build in the days when wages and costs were less than half of what they are today, is utter nonsense. This type of utterance might go down before a Liberal kindergarten, but it certainly cannot be accepted by members of Parliament.

Before I deal with the other aspects of the State sawmills and the tremendous gift which this company has received, including the permit covering tens of millions of pounds worth of timber, I was hoping that some information would be supplied by the Minister. He is silent for a very good reason. The best part of 1,500 skilled tradesmen and bush workers, who cannot be obtained anywhere else in this State, will be handed over to the company. If there were additional areas of timber available for some other concern to start operations, they could not be exploited.

Mr. Court: This has to be related to the productivity factor.

Mr. GRAHAM: I am going through this transaction item by item. These people cannot be obtained anywhere else. They have the skill, the experience, and the desire to reside in the bush. That is an important factor.

One of my questions which was not answered in this House sought to find out whether there was some valuation placed upon the availability of these men, because their availability would be worth hundreds of thousands of pounds to the purchaser.

Mr. Court: We do not put a price on a man and sell him as though he were an asset. Surely you are not stooping to that sort of thing!

Mr. GRAHAM: The men are not being sold, but the State is being sold out. These men have been trained, and they have gained experience from the activities of the State.

Mr. Court: They will still be employed.

Mr. GRAHAM: Of course they are still employed. I can deal with the interjections of the Minister one by the one, if he desires.

Mr. Tonkin: They are not all employed.

Mr. Court: How many are not?

Mr. Tonkin: You can give the figure. I know they are not all employed.

Mr. GRAHAM: I would have thought that one of the objectives and purposes of the Government was to improve the conditions of the people. Yet, with the sale, we find that 1,500 ordinary working people—from labourer to the highest executive, perhaps with one exception—will lose certain of their amenities and conditions of employment; in other words, their working conditions will be worsened in respect of sick leave, long-service leave, and superannuation.

I repeat that this Government would feel it was serving some purpose if it gained some political funds for the Liberal Party by helping that large interest, even if at the same time it was depressing the living standards of some thousands of our people. I say that because 1,500 workers probably means about 5,000 people, counting their wives and families where they apply.

Mr. Roberts: Are the workers themselves complaining?

Mr. Hawke: Wake up, member for Bunbury!

Mr. Roberts: Are they complaining?

Mr. Hawke: Of course they are!

Several members interjected.

The SPEAKER (Mr. Hearman): Order!

Mr. GRAHAM: I would like someone to prove to me none are unhappy. It is easy to make that sort of interjection when you are in the rarefied atmosphere of 1140 Hay Street, but when we get in amongst the workers it is a totally different matter. It is part of our stock in trade, as we came from those ranks.

This bargain price—this give-away—of the State's assets: The Minister has told us that a deposit has been fixed at £200,000. He has admitted, whilst not being too sure on the point, that immediately the State will be involved in another £80,000 in order to meet certain commitments. In other words, the best part of half the deposit is already disbursed and will not go into the Treasury. Then, for the next four years it would appear that no contributions are to be made by this concern. I wonder what the position will be.

Looking at the official reports, I find that the State Building Supplies on loan capital for the year 1959-60 paid £125,000 in interest in round figures. That money is still owing and that interest will still have to be paid by the Government. I do not have the figures, but I estimate that in respect of the railway mill there is an interest commitment of approximately £30,000 a year. In other words, after a lapse of four years the Government will be receiving payments of £100,000 a year from this company.

Mr. Court: Plus interest.

Mr. GRAHAM: And will have to pay out £155,000 in interest.

Mr. Court: The company is going to pay interest, you know.

Mr. Hawke: That surprises me.

Mr. Court: One is loan funds; the other is interest.

Mr. GRAHAM: Let me complete what I was saying. The State Building Supplies in the year 1959-60 made a sinking fund contribution of £21,000. In other words, it repaid in respect of indebtedness, but excluding interest on its overdraft—I am speaking of capital works—£176,000. That includes the railway mill. The State of Western Australia will still be called upon to pay this £176,000 per annum and will receive from the new concern, Hawker Siddeley, £100,000 a year plus an average of £50,000 in interest. In other words, the State of Western Australia will

receive £150,000 a year, but its commitments will be £176,000. So the State will be out of pocket and will have lost its industry—for nothing.

Mr. Court: You are overlooking one thing.

Mr. GRAHAM: And on top of that the Minister for Railways and all other Ministers in their departments, the public generally, the building industry, the farmers, and everyone will have to pay higher prices for the timber they require.

Mr. Court: Nonsense!

Mr. GRAHAM: I recall that at least on two occasions when we were the Government, at the behest of the Associated Sawmillers an approach was made to the Government through the State Building Supplies for the Government to agree to the State Building Supplies increasing its price because the association wanted all companies and all concerns to advance on the same plane. On those two occasions we rejected the proposition and, I might add, were not very popular with the private sawmillers. But we felt it was not warranted after having examined all the circumstances.

Here let me say that there were occasions when the Government did agree to some upward movement in the price, but we were responsible for saving the people of this State some hundreds of thousands of pounds for increased prices of timber. And why? Because there was a State Building Supplies, and because there was a Government which would not allow that concern to increase its prices; and without its increasing the prices the private companies were not prepared to do so.

Mr. Court: There are plenty of countries in the world which operate without State sawmills.

Mr. GRAHAM: That may be so; but I am not relying on guesswork. I am giving examples of instances where the Government, because there was a State sawmill, was able to effect a check on prices. That situation has now completely gone; and all it will need will be a meeting of the Associated Sawmillers the week after next to decide that the price shall go up another few shillings per super foot, and it will be a *fait accompli*.

Mr. Court: You are assuming that they are going to be completely irresponsible.

Mr. GRAHAM: It has already been increased.

Mr. Court: That was decided in conjunction with the State Building Supplies in the middle of May.

Mr. GRAHAM: And so as I say—

Mr. Court: Before you go on, in the figures you quoted you did not refer to the fact that these losses made by the State Building Supplies have all had to be reimbursed by the Treasury.

Mr. GRAHAM: I am aware of the fact that there is an overall credit of £750,000 still, notwithstanding the tremendous losses which have occurred since this Government took office.

Mr. Court: The main losses occurred during the last three years of your Government's regime.

Mr. GRAHAM: I repeat that the State is now at the mercy of an outside organisation; and there is a pretty close ring, which is appreciated—and I do not necessarily say that disparagingly. These people and large are drawing their raw materials from public estate and the public will in future have no protection and no safeguard whatever. The Government, of course, is aware of that, but it is not interested so long as it makes certain large concerns happy. Then the Government itself is happy.

It is true that in recent years the State Building Supplies has experienced some difficulty; and the reason for that, of course, very largely is that the conservators of forests, who have been allowed to do their own merry way to a very large extent have allowed the situation to develop whereby the State Building Supplies has had too great a preponderance of karri; and, as is known, there is a preference everywhere for jarrah as against karri.

In respect of that, as my word might not be taken, I quote from the report of the general manager of the State Building Supplies for the year ended the 30th June, 1957. He says—

Our major concern is the high percentage of karri relative to jarrah on our permit areas. An endeavour has been made to improve the balance by outside purchases of jarrah but even with action on these lines karri represents 45 per cent. of production and purchases compared with an average of less than 20 per cent. karri in total production within the State. A higher percentage of jarrah would assist the State Building Supplies in the marketing of karri both on local and export markets.

Therefore it is grossly unfair for the Minister to condemn this concern—

Mr. Court: I have not condemned it.

Mr. GRAHAM: —because of its trading results, as that is because of imbalance. That is one of the reasons why the Government of the day decided, when it was offered the opportunity, to purchase the Buckingham mill in order to give an additional jarrah supply to the State Building Supplies.

The Minister says he did not say anything of the sort. He spent the first portion of his address sneering and jeering at State instrumentalities. This Government, as I have said on many occasions, has become bereft of its senses in its desire to

placate financial interests. It is taking steps which other Governments—even Liberal Governments—do not contemplate. I have here a very fine document issued by the South Australian Government to commemorate the official opening of the Mt. Gambier State mill by The Hon. Sir Thomas Playford, G.C.M.G., M.P., Premier of South Australia, on Tuesday, the 19th May, 1959. I was interested to have a look at the potentialities of this mill then about to be opened. I think I am right in saying that the State Building Supplies production is somewhere in the vicinity of 25,000,000 super feet per annum. To quote three lines from this document concerning the South Australian mill—

Log Intake Capacity—

Log Bandmill—20 million super feet per annum.

Board Mill—20 million super feet per annum.

Case Mill—20 million super feet per annum.

There we have the Liberal Premier of our next-door State opening this tremendous State mill enterprise because of its necessity to South Australia; whilst here, over the border, we have this Government, irrespective of the welfare and the consequences to Western Australia, giving away an important and valuable public asset.

Mr. Court: Selling, not giving.

Mr. Hawke: Giving away.

Mr. GRAHAM: The only way in which the words "sell" or "sale" can be used is that this is a sell-out of the people's interests. I have never used the word "sale" in connection with this matter, because it is palpably obvious that the Government has handed the S.B.S. on a plate to a well-known subscriber to its electioneering funds.

Mr. Court: The honourable member will say that so often, he will believe it before long.

Mr. GRAHAM: If Sir Halford Reddish feels there is no proof in that statement, he can correct it.

Mr. Court: If he did that, you would say he told a lie. You wouldn't say outside that he told a lie.

Mr. GRAHAM: I know he cannot correct it.

Mr. Court: You seem to know a lot about these things. You would be surprised at his reply.

Mr. Roberts: Why not see what his reply is?

Mr. Hawke: The member for Bunbury will rock this Assembly one day by making an intelligent interjection.

Mr. GRAHAM: I would estimate that would be a summing up for the member for North Perth, who knows nothing about anything but makes inane interjections

from time to time. I do not desire to seek an extension of time. The position is that by its failure and by its inability to supply answers to the lengthy list of questions I have advanced to the spokesman for the Government, it is obvious that the Government is unaware of what it owned and what it was selling, and how many of each and their value.

Mr. Roberts: The honourable member has been assured that those questions will be answered on Tuesday next.

Mr. GRAHAM: But the sale took place weeks ago, and the value should have been known before the give-away took place.

Mr. Roberts: When did the honourable member submit the questions? Weeks ago?

Mr. GRAHAM: No; the other day.

Mr. Court: A lot of that information is of a general nature and has no particular significance at all.

Mr. GRAHAM: If the sale—the give-away—took place at the end of June, surely in the middle of August it is possible—or should be possible—for the Government to tell me the basis on which it decided it was getting a reasonable price. Nobody can establish—and that is why I want the figures, so that they can be checked and proved to be false, as I imagine will be the case—to my satisfaction that this undertaking—this vast undertaking—has not been disposed of for less than half price. That is why we want the detailed analysis of the valuation of the various items, the various components, making up the sale.

Mr. Hawke: That is why we want a Royal Commission.

Mr. GRAHAM: We find that many thousands of pounds worth of valuable machinery—over £36,000 worth within the last three months—have been purchased by this company when a certain sale was known to the Government; when tens of thousands were spent in other directions and for all sorts of other embellishments.

This was a gift to the company. Every one of these items supplied to me this afternoon by the Minister did not increase the price, and therefore the State Building Supplies has been purchasing these items and the Hawker Siddeley company has got them for nothing. That is the sort of thing this Government is doing.

Mr. Court: The honourable member does not understand the method of sale very much.

Mr. GRAHAM: That is why I have said on many occasions—and I repeat—that the concept of this Government is that Western Australia is some giant Christmas cake to be cut up into large slices and handed out to its friends. The Government has no proper concept that Western Australia means the people of Western Australia—the welfare of the people of Western Australia.

Mr. Court: That is what we are interested in.

Mr. GRAHAM: The ultimate has not been reached when we have 10, 20, or 5 gigantic concerns here, if the conditions of the people are not being raised and increased as the years go by.

Mr. Court: If we get the big concern here the conditions will be improved.

Mr. GRAHAM: We have the Hawker Siddeley company here, and the condition of 1,500 workers has been reduced. Much more of this introduction and we are moving in the wrong direction.

Mr. Court: The future of those employees is greatly improved.

Mr. GRAHAM: That is merely hypothetical day-dreaming on the part of the Minister, and it tunes in with what he said in many places, and indeed with what the Premier said in something placed in my letter box this afternoon. It reads—

A new era of massive expansion is under way in Western Australia.

That is the same sort of tripe this Government has been talking about for the last couple of years, during a period when unemployment has been increasing regularly month after month. We now have more people on the dole than we have ever had in Western Australia during the post-war period.

MR. GRAYDEN (South Perth) [5. p.m.]: I have listened with interest to the member for East Perth, and I find it difficult to understand how he can have the temerity to get up and, in such extravagant language, support the amendment to the Address-in-Reply which has been moved by the member for Melville. The member for East Perth has used the most extravagant language; he has used the terms "absolute robbery"; the "State is being sold out"; and he says that other speakers have spoken of bushranging and "Why doesn't the Government give it to them?" We have heard these expressions time and time again in this debate.

Mr. Graham: Unfortunately, they are appropriate.

Mr. GRAYDEN: According to the member for East Perth, they are appropriate. The actual position is this, of course, namely, that the Opposition, when in power, has sold State assets on a scale and in a way which makes this particular transaction by the present Government pale into insignificance.

Mr. Rowberry: That's a good one.

Mr. GRAYDEN: I do not think the member for East Perth would deny it; it is quite obvious that he does not, and he will not. However, I think we should refresh our memories on some of the things which were perpetrated by the Government of which he was a member; and I want to refer firstly to the sale of Moola Bull.

a pastoral property in the Kimberleys. This property was regarded as possibly the finest cattle station in the Kimberleys.

Mr. Bovell: Now we are hearing something!

Mr. GRAYDEN: It is a pity the member for Kimberley is not here, because he would confirm that this property was sold by the Labor Government, of which the member for East Perth was a member, for the sum of £100,000. At the time a number of people were interested in it. For instance, Bell Bros. tendered in the vicinity of £80,000 or more; and Farrells, who had the meatworks at Broome, were extremely interested; and many of the pastoralists in the Kimberleys also submitted tenders.

Ultimately the then Government sold it to a Mr. Goldman for the sum of £100,000; and shortly after Mr. Goldman purchased the property he resold it for £150,000 to a boring contractor, who, incidentally, had been convicted for gold stealing. He was not a very reputable type of person. Subsequently it was sold again to a Mr. Toms of Wydgee Station, near Meekatharra, for £200,000. Within three weeks of that sale, Mr. Toms was offered £300,000 by an American firm, but he declined the offer on the grounds that the value of the pastoral property was £500,000.

Yet it was sold by the then Labor Government for the sum of £100,000; and at the time of the sale a number of people, as I said, tendered for it. All the tenderers, reputable people, were prepared to pay cash for it, but they were ignored; and the Labor Government sold it to Mr. Goldman, I understand, on a deposit of £5,000. I understand that, instead of putting up the cash for £5,000, he used his house in Como, which was worth about £5,000, as a deposit and he purchased a property which is worth £500,000.

However, there is a worse feature to the sale than that. At the time of the sale there were 25,000 head of cattle on the property; and at a valuation of £10 a head, which would be extraordinarily conservative because they could not be replaced for that price, that would amount to £250,000 worth of cattle which, added to a figure of £500,000 for the property, which was its value, gives us a figure of £750,000. Yet the then Labor Government sold it to Mr. Goldman for £100,000, and the only item which was put forward as a deposit was Mr. Goldman's house in Como.

Of course, as soon as Goldman purchased the property on those extraordinary terms from the then Labor Government he rounded up the cattle and sold a number sufficient to repay the Government the £100,000—and he did not even sell them through the meatworks at Wyndham. He took them across to Queensland and sold them there. As soon as he had paid off the station, he sold it to another disreputable person and it has subsequently changed hands several times.

Mr. Bickerton: Would you say that outside?

Mr. GRAYDEN: One of the worst features of that sale was that it was not a question of encouraging new industries into the State; it was not something that would have encouraged competition in an industry; it did not have one feature to recommend it; and possibly the worst feature of all was that it had previously been used as a native settlement. The property at Moola Bulla had long been used by the Native Welfare Department for that purpose and there were several hundred natives there. When Mr. Goldman purchased it on the terms I have described, he immediately walked on to it and drove the natives off the property. Some hundreds of natives were displaced—turned off the property—because the then Labor Government sold it on those terms. What an extraordinary thing! Yet the Labor Party comes along and moves an amendment in the terms set out on the notice paper.

Mr. Graham: First of all, do I understand from you that you want to extend the terms of inquiry of the Royal Commission?

Mr. GRAYDEN: Just a minute; I will come to that. I do not want to do that, because I have too much regard for some members opposite. If the member for East Perth suggests that this particular transaction, agreed to by the Labor Party, should be coupled with the one mentioned in the motion, and a Royal Commission be appointed to inquire into it, I am certain that a great many charges will result, and I have no wish to see any members opposite placed in that position.

Mr. Graham: You big-hearted boy!

Mr. GRAYDEN: Let us get back to the amendment. It reads—

Finally we strongly condemn the action of the Government in selling State Building Supplies and the Railway mill at Banksiadale at bargain prices and on extremely generous time-payment conditions to an enormously wealthy private company, and consider a Royal Commission should be set up to thoroughly investigate the transaction.

That amendment talks about bargain prices, and the member for East Perth has told us what he considers the valuation of S.B.S. should be. Of course, that is not a true valuation; but he considers it to be worth no less than £4,000,000, whereas the Government has sold it for £2,200,000, which is approximately half of his estimate of what it is worth.

Let us get back to Moola Bulla. Here we have a property which today is worth £500,000; and, valued at £10 a head, there was £250,000 worth of cattle on it. But in actual fact the cattle would have been worth £20 a head, which would have meant

a sum of £500,000. Therefore the property in all was worth £1,000,000; yet it was sold for £100,000 and the only deposit put forward was a house in Como. So at a figure of £100,000 the then Labor Government sold the property at a tenth of its real value, and yet it has the temerity to criticise this Government for selling an undertaking at what it says was a half of its real value.

Mr. Oldfield: Do you believe two wrongs make a right?

Mr. Roberts: You weren't even a member of the Labor Party then.

Mr. GRAYDEN: I do not; but I would like to point out that the Minister for Industrial Development has emphasised several features associated with the deal, and I think they are pretty well known to members of the Opposition. After his remarks I think members opposite may have second thoughts on the matter and may regret that they moved in the way they did. They gave the Minister for Industrial Development an opportunity to explain the circumstances associated with this transaction; and because he has done it so fully and completely, they will not now be able to go about the State and talk about a "sell-out," and use other extravagant language such as we have heard during this debate.

Mr. Jamieson: Who recommended the sale of Moola Bulla?

Mr. GRAYDEN: The honourable member had better ask the member for Guildford-Midland because he was the Minister for Native Welfare at the time.

Mr. Brady: Don't talk nonsense!

Mr. GRAYDEN: I understood he was.

Mr. Court: He has been put in too much already this afternoon by his mates.

The SPEAKER (Mr. Hearman): I do not think this has anything to do with the motion.

Mr. Hawke: None of it has.

Mr. Graham: Cut out the bull and get back to timber.

Mr. GRAYDEN: Members opposite are very loth to disclose who negotiated a transaction of that kind. In referring to some of the statements made, I think it was the member for Melville who said earlier that, in respect of this transaction which the Government had entered into, it was a bit of chicanery. He was quickly followed by the Leader of the Opposition who said, "Why did we not give it to them?" He has said that despite the fact that the company has paid £2,200,000 for the State Building Supplies; and despite the fact that, even on the Labor Party's estimate—which I repeat is certainly not accurate—that was half its valuation.

Yet the people who are making these extravagant statements—I think the member for East Perth even referred to the Government as being arch conspirators

and made reference to scandals and all that sort of thing—are those who sold a State asset, valued at £1,000,000, for £100,000 on the terms which have already been described. Further, when the purchaser could not find the £5,000 cash as a deposit, they accepted his house instead.

Mr. Graham: I wish you had been the valuer for the State Building Supplies.

Mr. GRAYDEN: These people who are now making these extravagant statements were not negotiating with a reputable man when they entered into the negotiations. They brushed aside the offers of cash and accepted instead the terms I have described. To give members some idea of the type of person that they sold that State asset to, I would like to state that on one occasion I was up in the north near Marble Bar accompanied by a geologist and his offsider, and they were expressing their abhorrence of what they had seen on this particular station after it had been sold to a Mr. Goldman. Despite the fact that there were houses and other facilities on the station they were aware of the fact that hundreds of natives were driven beyond the station boundary. That which really appalled them was the fact that the station people were rounding up the donkeys that existed in their thousands in that area and were putting them into yards.

Mr. Heal: Where did they put you?

Mr. GRAYDEN: They were then letting the donkeys out; and, as they did so, they shot each one in the stomach with a .22 rifle. From that, one can realise the type of person with whom the Opposition dealt. As I have said, they shot the donkeys in the stomachs; but not with the intention of killing them, because they knew that if they did so the donkeys would drop on the spot and they would have to dispose of the carcasses. Their intention, by shooting them in the stomach, was that the donkeys would be able to walk away to some distant place and it would be some days before they died. That was that gent's method of exterminating the donkeys. Yet that is the type of person with whom the Opposition preferred to deal. I do not think we can get a worse case. If we want to talk about Government transactions and the disposal of State assets, I cannot think of any more disgraceful episode than that to which I have been referring and for which the Labor Party was responsible.

The Minister for Industrial Development has already told us what the position is in respect of this transaction involving the State Building Supplies. He told us it was Government policy to dispose of this State trading concern, and we know it was. This Government has already honoured most of its election promises. With respect to this particular promise, it has disposed of the State hotels and it has now entered into negotiations

to dispose of the State Building Supplies. That is the first point; namely, that this Government received a mandate from the people to dispose of the State trading concerns, and it has honoured that promise to the full.

The second point that emerges is that the Government sold the State Building Supplies in order to ensure healthy competition among those engaged in the timber industry of Western Australia. The other evening we had the Leader of the Opposition telling us about the monopolies and offering his criticism about them, and yet now he would not have this Government sell this State concern outside the State but, according to him, would prefer to have it included in the present set-up of the timber industry. We hear a great deal about monopolies from members of the Opposition; and yet, in this instance, when the Government goes out of its way to avoid any accusations in regard to monopolies, for the purpose of benefiting the people of the State, we get this criticism from the Labor Opposition.

Thirdly—and this is possibly the most important point and the overriding point in respect of this transaction—there is the question of ensuring stability in the timber industry and employment for those who are engaged in it. We have also heard a lot about unemployment in the last few days from members of the Opposition and, yet again in this instance, when we have an opportunity to attract new industry to the State from outside, members on the other side criticise the Government for taking advantage of that opportunity.

Had the State Building Supplies been sold within Australia it would not have contributed anything towards alleviating the problem of unemployment or helping to attract new industry. As the Government has sold it to the Hawker Siddeley organisation, what will be the result? Firstly, it will ensure that we will have a greatly-increased market for our timber. The Hawker Siddeley group will bring that about for this reason: it has its main office in Great Britain and has its agents throughout the world. For example, it has agencies in New South Wales. Everyone in this House knows that our timber industry is in a state of decline. We lost many of our world markets as a consequence of the restrictions imposed during the war. We lost our overseas timber market.

The selling of the State Building Supplies to an overseas firm means that that firm will, first of all, secure markets for our products in Great Britain and other countries in which the company is represented. Surely that is an important thing! Surely that is an overriding consideration in a matter of this kind! If the Government had sold the State Building Supplies

for half of what it did, the sale would still have been a wonderful thing as far as the people of this State are concerned.

Mr. Graham: You are a great anti-Western Australian, you are!

Mr. GRAYDEN: That is a strange statement coming from someone who has recently been talking about unemployment, obviously with little sincerity, because he knows that we must find markets for our timber. This Government has found markets for this product by the simple process of selling the State Building Supplies to the Hawker Siddeley group.

Mr. Graham: What rot!

Mr. Roberts: Of course it has!

Mr. GRAYDEN: The members of the Opposition can say what they like.

Mr. Graham: Where will the company sell another cubic foot of timber?

Mr. Court: It will be able to create a market.

Mr. GRAYDEN: That, I think, must be regarded as the overriding factor in this transaction. But there is yet another point, and it is this: The process of attracting new industries is something which this Government has actively pursued ever since it came into office.

Mr. Graham: This is not a new industry.

Mr. GRAYDEN: Well, let us have a look at it. When the Government sold the State Building Supplies to the Hawker Siddeley group, what did it do? The Government immediately ensured that it was well represented in this State. If it is well represented and, taking into consideration it is such a huge firm, does not the honourable member think it will be striving to extend its activities in this State?

Mr. Graham: He knows nothing of the kind.

Mr. GRAYDEN: The honourable member knows that if the Hawker Siddeley group comes here and operates an effective timber industry, very shortly it will be looking around for ways and means of expanding. That is in line with Government policy. The Government has set out to attract new industries to the State; and how effectively has it done that!

On this question of new industries, may I take the opportunity of reminding members of the Opposition of the value of the new industry that is about to commence in Western Australia.

Mr. Graham: By Hawker Siddeley.

Mr. GRAYDEN: No. We are talking about something else. We have at the moment £27,750,000 worth of investments in new industry, about to be spent in Western Australia; and a start will be made on the expenditure of that amount between now and Christmas.

Mr. J. Hegney: On what?

Mr. GRAYDEN: On the B.P. lubricating oil refinery which is an extension of the £40,000,000 refinery. That will cost £8,000,000 and it is expected an early start will be made on it. Apart from that there is Western Aluminium, N.L., which will involve a capital expenditure of £5,000,000; there is also La Porte, which will involve a capital expenditure of £6,000,000; a capital expenditure of £2,500,000 to £3,250,000 will be involved in the agreement with the Australian Paper Manufacturers; and a further capital expenditure of £500,000 will be involved in the agreement with Foster Clarks.

Mr. Oldfield: Why don't you stick to this century?

Mr. GRAYDEN: With these few firms the capital expenditure involved will be in the vicinity of £27,750,000 which is about to be spent in this State. If members of the Opposition want to know what industry is going to spend as a consequence of the Government's efforts, they need only have a look at the amount of the projected expenditure.

Under that heading we have the integrated iron and steel industry at Kwinana, which will involve a capital expenditure of £40,000,000; then there is the rail standardisation plan from Kalgoorlie to Kwinana, which will involve an expenditure of £41,000,000; and together with the capital expenditure involved in the Koolyanobbing project, which is another £5,000,000, the total capital expenditure will be in the vicinity of £86,000,000.

I have already drawn attention to the 55 other factories for which this Government has been responsible in the last two years. The reason for the Government selling the State Building Supplies to the Hawker Siddleley group is to attract new industry to Australia; and from the figures I have read out, it will be seen just how new industry has been attracted.

Mr. Graham: Why are you not talking about the State Building Supplies?

Mr. GRAYDEN: I think I am. These industries are most relevant to the sale of the State Building Supplies.

Mr. Graham: You have talked about everything from boongs to oil.

Mr. GRAYDEN: With particular reference to the State Building Supplies I would say that members of the Opposition have their tongues in their cheeks when they occasionally get up and talk about the particular amendment they have moved. I do not think there is any sincerity in it at all. They have placed this amendment to the Address-in-Reply on the notice paper purely and simply as a diversionary measure. It is my firm belief the Opposition is trying to draw attention away from the *faux pas* which the member for East Perth made the other day, when he very ill-advisedly and misguidedly referred to the firms which he alleged contributed

to the Liberal Party funds. He desires to draw our attention away from this statement, because he knows we would reply to it in no uncertain manner, and he would not like the reply.

The member for East Perth knows that when we hear things of that kind said without any foundation, we immediately question where the Labor Party gets its funds from at election time. We do not have to look very far for that. The other day there were 37 questions on the notice paper, 12 of which were devoted to S.P. bookmakers, and one to unemployment. We witnessed the strenuous efforts made by the member for Melville on behalf of the S.P. bookmakers. We listened to the honourable member with interest, because we know that what he was doing was simply paying the first instalment of the Labor plan to buy the support of the S.P. bookmakers at the forthcoming elections.

It is common talk, of course, that the Labor Party is to be provided with £15,000 by the Premises Bookmakers' Association as a contribution to Labor Party election funds.

Mr. Graham: We have already offered to publicise ours if the Liberal Party does the same.

Mr. GRAYDEN: When the member for Melville strenuously opposed the Bill to set up the T.A.B. the Labor Party paid its deposit in purchasing the support of the S.P. bookmakers. Recently we had the member for Melville again vigorously advocating the cause of the S.P. bookmakers and strenuously objecting to the T.A.B., and this no doubt constitutes the second instalment for the purchase of their support. Now, I understand, the Leader of the Opposition has undertaken that if his Government is returned to power it will abolish the T.A.B., and reinstate the premises bookmakers.

Point of Order

Mr. J. HEGNEY: On a point of order, Mr. Speaker, I would point out that the remarks of the member for South Perth are not relevant to the amendment before the Chair. He should stick to the amendment.

The SPEAKER (Mr. Hearman): I hope the member for South Perth will relate his remarks to the amendment.

Debate Resumed

Mr. GRAYDEN: I will certainly do that, Mr. Speaker. I will relate them by saying that in my opinion the Labor Party is talking with its tongue in its cheek when it criticises the Government for selling the State Building Supplies. There is no sincerity in its remarks at all. When the Labor Party moves an amendment of this nature it follows that it must have an ulterior motive which, as I have said, is to draw attention away from the statements

made by the member for East Perth the other night in respect of contributions to the Liberal Party.

Mr. Graham: I made them again this evening and it is in accordance with facts. You need not worry about that. It has been said three times previously in this Parliament.

Mr. GRAYDEN: There is no doubt that the Labor Party is purchasing the support of the S.P. bookmakers, even though these bookmakers were operating in a manner detrimental to the public.

Mr. Graham: What are you talking about?

Mr. Bovell: About S.P. bookmakers and the Opposition.

Mr. GRAYDEN: In the report of the Royal Commission on Betting we find that Justice Ligertwood said—

For these reasons I find that the betting shop system is contrary to the interests of the community and should not be continued.

Mr. Graham: Is there a doctor in the House?

Mr. GRAYDEN: Yet we have the Labor Party sacrificing all its principles and defending the S.P. bookmakers wholly and solely because that party is buying the support of the bookmakers. If that is so, will the member for East Perth deny that the Labor Party is going to receive a very substantial amount from the S.P. Bookmakers' Association to swell the funds of that party?

Mr. Graham: I do. I know that your party approaches those people each year for a donation to your funds.

Mr. GRAYDEN: Would the member for East Perth deny that he has knowledge that the S.P. bookmakers will make a contribution?

Mr. Graham: I deny that.

Mr. GRAYDEN: Will he swear on his honour that he has no knowledge of the contribution which the premises bookmakers are going to make to the A.L.P. for the forthcoming election?

Mr. Graham: On my honour, I have no knowledge of that whatsoever.

Mr. GRAYDEN: Let us look at some of the contributions which the premises bookmakers have made to the Labor Party. Unfortunately we have to accept the word of the member for East Perth. If we have the opportunity we will certainly produce the proof, and we may have the opportunity of doing that after the next elections. When Sir George Ligertwood inquired into betting he made certain references in his report.

The SPEAKER (Mr. Hearman): Order! The honourable member must relate his remarks to the amendment to the motion.

Mr. GRAYDEN: He had this to say: For the election of April 1956 the confidential committee of the Licensed Premises Bookmakers' Association spent a total of £1,708 on advertising in the interests of the Labor Party.

The SPEAKER (Mr. Hearman): The member for South Perth will have to get off that theme.

Mr. GRAYDEN: I defer to your ruling, Mr. Speaker. I regret you will not allow me to read the next paragraph in the report of the Royal Commissioner. It is related to the money which the S.P. bookmakers provided to the Labor Party and verified in their books, during the last two elections. I want to develop that argument to show what the Labor Party expects to get from the premises bookmakers on this occasion. I mentioned £15,000. I want to point out that in so doing the S.P. bookmakers are paying an instalment for the support of the Labor Party.

Mr. Hawke: You are not mixing us up with the Country Party?

Mr. GRAYDEN: What sort of party is the Labor Party, which has the temerity to question the action of the Government in negotiating a transaction of the kind with which we are dealing? I am quite sure that I would not be permitted to refer to the contribution made by the Communist Party to the Labor Party election funds. The member for East Perth is flying a kite when he says that the Liberal Party received a substantial contribution from Sir Halford Reddish.

Mr. Graham: It is based on knowledge.

Mr. GRAYDEN: Is there any industry in the State which depends to such a great extent on private enterprise which should not contribute to the Liberal Party funds?

Mr. Graham: At the time he made his donation you had been kicked out of the Liberal Party.

Mr. GRAYDEN: Who is the Labor Party that it should criticise the Government on this transaction, when that party has continuously received support from the S.P. bookmakers, who are not acting in the best public interests, and from the Communist Party?

Mr. J. Hegney: When you were an Independent you were against all parties.

Mr. GRAYDEN: I support any party which firmly believes in the principle of private enterprise. I want to get back to the point of a donation by the S.P. bookmakers. The member for East Perth has not denied it; he merely says that he has no knowledge of that fact. I want to extract the same assurance from the member for Melville. I do not think he is prepared to give it. Would he be prepared to deny that the Premises Bookmakers' Association is going to make a substantial contribution to the funds of the Labor Party?

Point of Order

Mr. TOMS: On a point of order, is this turning into an inquisition?

The SPEAKER (Mr. Hearman): I suppose the point of order taken by the member for Maylands is that the member for South Perth should relate his remarks to the subject matter of the amendment before us. Some passing references have been made by the member for East Perth, but I think the member for South Perth has made adequate references in reply. He ought to get on with the amendment.

Mr. TONKIN: Could I be given five minutes to reply to the member for South Perth?

The SPEAKER (Mr. Hearman): No.

Debate Resumed

Mr. GRAYDEN: The member for Melville is drawing red herrings across the trail to establish that he has not been given an opportunity to reply. I have asked him a question; he has only to deny that he has any knowledge. Obviously he is not prepared to reply.

I say that compared to the action of the Labor Government in disposing of the Moola Bulla Station—a State asset—this transaction relating to the sale of the State Building Supplies is of no significance. What the Labor Government did in respect of Moola Bulla Station and selling an asset valued at £1,000,000 for one-tenth of that value was a disgrace. It certainly deserves to be described by all the adjectives which the Labor Party has used on this occasion. I go a lot further and say the English language does not extend far enough to adequately describe the action of a Government which sold an asset, such as Moola Bulla Station, at so ridiculous a figure, and in the process of which the native occupants were driven from the boundaries of the property.

I therefore congratulate the Government on concluding the sale of the State Building Supplies. The entry of the Hawker Siddeley group will provide a filip to the timber industry of Western Australia. Its presence will ensure that this State and its economy will expand, because no doubt this firm will establish new industries here. In that process more employment will be created for the people. Furthermore, competition within the timber industry will be assured. For these wonderful reasons I congratulate the Government on the sale of the State Building Supplies; equally, I condemn the members of the Opposition on the sale—when they were in office—of Moola Bulla Station. If members choose to give the amendment to the Address-in-reply any consideration at all they should think in terms of coupling it with the sale of Moola Bulla.

Mr. Bickerton: Move an amendment!

MR. ROWBERRY (Warren) [5.45 p.m.]: No words of the English language, adjectives or otherwise, can describe the state of my mind after listening to the honourable member who has just resumed his seat. I do not intend to deal with his remarks at length; but I propose to support the amendment before the House. I would like to say in passing that the honourable member's speech consisted of Moola Bulla, bulls, and bull.

Mr. Graham: Donkeys?

Mr. ROWBERRY: And donkeys. I was indeed interested and satisfied to know that the donkeys to which he referred were exterminated; otherwise I would have been apt to come to the conclusion that some of them had escaped and found their way here into this Chamber—

Mr. Graham: Just one.

Mr. ROWBERRY:—judging by some of the remarks of the speakers on the Government side in connection with the amendment before the House. I am afraid members on the Government side have not taken the opportunity to read the amendment in full. Therefore, I shall read it again to them—

Finally we strongly condemn the action of the Government in selling State Building Supplies and the Railway mill at Banksiadale at bargain prices and on extremely generous time-payment conditions to an enormously wealthy private company, and consider a Royal Commission should be set up to thoroughly investigate the transaction.

The tenor of the speeches by the Minister for Industrial Development and the member for South Perth imply that we are opposed to the sale.

Mr. Brand: Fill the back benches up, Mr. Speaker; there is no one there.

Mr. ROWBERRY: There is nothing in the amendment to suggest that that is the case. The Opposition is opposed to the sale at bargain prices—opposed to the sale to a wealthy company. In the amendment there is no clear opposition to the sale at all.

Mr. Roberts: You agree with the sale of the State Building Supplies?

Mr. ROWBERRY: We do not agree with the sale of the State Building Supplies under the conditions the Government has negotiated; and that is the reason for this amendment. Whether a Labor Government would have sold this undertaking or not, or whether it would have been opposed to the sale or not, is not the question before the House. The question before the House is that this undertaking is being practically given away at bargain prices.

Mr. Roberts: Under what conditions would you sell State Building Supplies?

Mr. May: He is not going to fall for that one.

Mr. ROWBERRY: In debate it has been said that the member for Bunbury does not know very much; but I would go a little further and say, "He knows quite a lot—a lot about nothing."

Mr. Roberts: A profound statement!

Mr. ROWBERRY: The Minister for Industrial Development, as usual, accused members on this side of the House of having an obsession against private enterprise—that we were obsessed by hate and resentment against all types of private enterprise. It is a peculiar thing that people who suffer from obsessions consider everybody else to be suffering from the same obsessions. I can tell the House a funny story to illustrate that point.

Mr. J. Hegney: Is it relevant?

Mr. ROWBERRY: It is. This story is about a chap who was mentally upset. He went to consult a psychiatrist. The psychiatrist, as part of his test, got a clean piece of paper and a pencil, drew a straight horizontal line, and then asked the chap what it represented. The patient said, "It represents a nude woman in a recumbent position." Then the psychiatrist drew a vertical line and asked the patient what it represented. The patient said, "That represents a nude woman standing up." The psychiatrist shook his head and said, "I am afraid you are in a very bad way. You are suffering badly from sex obsessions." The patient said, "Well, I like that. Here you have been drawing obscene pictures all the afternoon and you are accusing me of suffering badly from sex obsessions."

I submit that could be the case with the Minister for Industrial Development. He made a very unfortunate reference to the Warren by-election and to the member for Warren, which I consider was entirely unwarranted. However, as he has raised the question of the by-election at Warren and the subsequent election, there are some things concerned with those elections I would like to tell the House, and they are relevant to the sale of the State Building Supplies and to the debate; otherwise the Minister for Railways would not have introduced them.

He said that we, as members of Parliament, went to the mill and intimidated and put fears into the men, sowing doubts and trying to incite them to rebellion against awful government; that we did all in our power to make things unpleasant; and that we did these things in a scurrilous sort of way. I have often thought of telling the House about the Warren by-election but my modesty or good nature has hitherto prevented my doing so; but now the Minister has pressed the red light, I think I will take the opportunity.

The Minister, who was then a member of the Opposition, accompanied the Premier, who was then Leader of the Opposition, to Manjimup during the Warren by-election; and he wrote later to the local

paper—as he mentioned this afternoon—accusing the Labor Party of terrorising and dragooning the people to such an extent that the Labor Party would have asked them to vote for a trained chimpanzee if that party had put one up as a candidate. He did add that he was not implying that Mr. Rowberry was a trained chimpanzee.

Mr. Court: You are saying that, not I.

Mr. ROWBERRY: Unfortunately, from the point of view of the Minister for Railways, that effusion in the local paper had its effect on public opinion and probably obtained for me over 100 votes. The people of Warren did not consider that that sort of thing was in the best interests of the public. Besides, they had a much higher appreciation of the then candidate than apparently had the then Opposition.

Mr. Court: I never called you a chimpanzee.

Mr. ROWBERRY: The Minister mentioned a letter which he said appeared in *The Manjimup and Warren Times* in reply to a letter I sent to the paper criticising the sale of the State Building Supplies. This is an old political trick. He only mentioned that there was a letter. If such a letter had condemned me in such unutterable terms, why did he not produce and read it? Such a letter could not have appeared in the same issue as my letter to the paper and therefore must have been in the next issue. I have with me a copy of that issue and have read it right through, and there is no mention of my letter.

Mr. Court: Did you not criticise it on the 19th of July?

Mr. ROWBERRY: So we see that particularly low levels are reached in debate in this House sometimes, levels which are not necessary in my opinion. The Minister levelled accusations at the Labor Party as to its method in fighting the elections. He said that we used intimidating methods by saying that if the Labor Government was not returned, the mills would be sold. What was wrong in telling them that? Have they not been sold? Is there still not a considerable amount of dissatisfaction and distrust, and a great unsettlement in the minds of the people in these mills as to their future?

Mr. Court: I do not think so.

Mr. ROWBERRY: Therefore that was a perfectly true pronouncement. He also said that the Liberal Party organiser went to a place where I had been employed in the Warren area for about 30 years and asked the manager why it was that I had been allowed to leave the district without having had a personal presentation. He also asked him whether I had during—

The SPEAKER (Mr. Hearman): Order! I think the honourable member is getting away from the amendment; and it is past history, anyway. I do not mind if the

honourable member replies to certain allegations made, but I think he had better stop at that.

Mr. ROWBERRY: It appears that we are going to be deprived of the opportunity of replying to certain allegations.

The SPEAKER (Mr. Hearman): The honourable member will have the Address-in-Reply debate during which to reply.

Mr. Brand: You have had a fair go.

Mr. ROWBERRY: There has been a certain amount of discussion as to the loss or otherwise to the State in the sale of the State Building Supplies, and there has also been certain confusion with regard to the figures that have been quoted. For instance, the Minister for Industrial Development said tonight that the total amount of profit paid by the State Building Supplies into Consolidated Revenue amounted to £600,000. I wonder if he checks his figures; because last year, on Tuesday, the 16th August, I asked the Minister for Industrial Development certain questions, among which was the following:—

What is the total amount paid into Consolidated Revenue by the State Building Supplies?

And the answer was—

The total profit paid into the Treasury since 1913 up to the 30th June, 1960, is £706,198.

Mr. Court: They recouped the 1959 loss.

Mr. ROWBERRY: The answer also stated—

During the year ended the 30th June, 1960, the Treasury recouped to State Building Supplies net losses incurred during the year ended 30th June, 1959, totalling £46,867.

I think it is necessary to understand the method of Government accounting in the question of State trading enterprises. I say this because of another question I asked the Minister on the same day, this being as follows:—

What total of interest and sinking fund is paid by the instrumentalities each year?

And the answer was—

For the year ended the 30th June, 1960—£153,105.

That means that the total interest and sinking fund paid was out of profits before the profit and loss account was drawn up. It must have come from profits; otherwise where did it come from? This sinking fund and interest went into the Treasury; but where will this amount come from in future? The State Building Supplies is now controlled by an outside firm, and this amount has to be written off against the yearly amount of £100,000 which will be paid by the company.

Mr. Court: They pay interest as well, you know.

Mr. ROWBERRY: There is a difference between a State trading concern and an ordinary concern in that each year the latter sets aside at least 10 per cent. for depreciation so that eventually in 10 years the asset will be completely written off. But that does not mean that that asset is no longer a marketable asset and can be given away for nothing. It appears from the debate this afternoon that that idea pervades the minds of the members of the Government. That asset still has its value; and we must not forget that during the years which have elapsed since the State Building Supplies was first established, the value of the pound has depreciated and therefore in actual value the asset should be written up to represent its actual value *pro rata* to the depreciation of the value of the pound. It should increase in actual book value to the same extent or in proportion to the depreciation of the value of the pound.

The fact that certain companies write off the value of their asset is merely a bookkeeping detail and is of advantage in the case of Chamberlains and in the case of Wundowie, as the Premier mentioned in his speech over the radio justifying the sale of the State sawmills. When the asset continues to be in the possession of its owner there is a distinct advantage in writing down the asset; but when one writes down the asset to dispose of it to a buyer, that is a distinct loss. It must be.

In the matter of the State Building Supplies, and of all State instrumentalities, there is no such thing as depreciation and putting aside for replacements. There is no fund set aside. The profits are paid into consolidated revenue. The interest and sinking fund is paid into the Treasury and it is used as a general fund. When these assets require replacement, rehabilitation, or repairs, what happens is that a call is made on loan funds. But the provision has already been made by the payment of interest and sinking fund, so that there is no loss at all—except that there will now be a loss to the general revenue of this £153,000 per annum that was being paid in every year.

Mr. Court: I would not like the honourable member to be running an investment portfolio for me.

Mr. ROWBERRY: I would not like the Minister to be selling an asset for me either.

Mr. Court: One never knows.

Mr. Hawke: A real knockout. The Scotch boys will wake up to the Minister.

Mr. ROWBERRY: The member for East Perth has pointed out that all this transaction will have done is to make a continuing call upon loan funds to pay the interest upon the difference between the selling price of the asset and the price that was accomplished by the Government.

Mr. Court: That is just plain nonsense.

Mr. ROWBERRY: I have the Minister's own word for that. In dealing with this Government I find it best to ascertain my information long before the event, so that there is no get-out. Last year I asked the Minister whether, in the event of the sale of the State Building Supplies, the interest would be a continued charge upon the State. The Minister replied only to the extent that any sale price falls short of the continued liability to the Treasurer.

I hope the Minister checks his answers before he gives them to the House. I understand that some Ministers obtain their own information. I hope the Minister does not do that.

Mr. Court: Oh, no. I use the offices'.

Mr. ROWBERRY: The difference between the selling price and the actual cost—the total debt—to the State is some £800,000 which, with repayments of capital and interest over a period of 20 years, would add up to something like £47,000 per annum, which is another added drain on loan funds which will have to be found by the Treasurer. Therefore, we can see—the Treasury benches are very quiet—that far from this being of advantage to the State, and far from providing additional funds for hospitals and schools—the member for Narrogin would be interested in that if he were awake—it is going to provide an added drain upon the Treasury.

Mr. W. A. Manning: I am awake.

Mr. ROWBERRY: As time is getting on, Sir, and I have not finished my remarks, I would like some advice as to the position.

The SPEAKER (Mr. Hearman): The member for Warren must formally move that he be given leave to continue his remarks at the next sitting of the House.

Mr. ROWBERRY: I formally move—

That I be given leave to continue my speech at the next sitting of the House.

Motion put and passed.

Debate (on amendment to the motion) thus adjourned.

House adjourned at 6.11 p.m.

Legislative Council

Tuesday, the 15th August, 1961

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The PRESIDENT (The Hon. L. C. Diver) took the Chair at 4.30 p.m., and read prayers.

QUESTIONS ON NOTICE

GOVERNMENT EMPLOYMENT

Moneys Available to Hawke and Brand-Watts Governments

1. The Hon. A. R. JONES asked the Minister for Local Government:

(1) What were the total moneys available to the Hawke Government in its final year of government?

(2) What were the total moneys available to the present Government in the years 1960 and 1961?

Number of Government Employees and Payment Received

(3) What number of persons (male and female) were employed by the Government in the years 1959, 1960, and 1961?