Legislative Assembly

Thursday, 8th November, 1956.

CONTENTS.

The SPEAKER took the Chair at 2.15 p.m., and read prayers.

LEGISLATIVE ASSEMBLY CHAMBER.

Members Reading Newspapers and Interjecting During Speeches.

The SPEAKER: Before dealing with the business of the day, I wish to refer to bad habits that are being practised in this Assembly. I refer particularly to the reading of newspapers. From time to time I have spoken to members and suggested that they might refrain from reading newspapers in this Chamber while the House is sitting, and particularly do I wish them to refrain from opening their newspapers full width as when this is done one sometimes cannot see a member behind them, who may be speaking.

New members may not know it, but many of my predecessors in the position of Speaker here have had to draw the attention of the Chamber to this bad habit because it is indecorous and does not redound to the credit of this House. Former speakers have endeavoured to prevent papers being read at all in this Chamber, but from time to time the practice has been overlooked when members have folded their papers to a small size while reading them. The fault to which I have referred occurs on both sides of the Chamber.

I know it is difficult for members, particularly those in the front benches, if they are not allowed to glance at a newspaper, but the spectacle is not edifying from the point of view of the public. When, recently, I was in an s.p. betting shop, the discussion taking place was not on the betting legislation recently before us, but a man who had listened to the debate here referred to the conduct in this Assembly. I was told that many conversations were taking place and that at least nine members were reading newspapers during the debate.

This shows that the public take notice of such happenings and I ask members to maintain the standard of conduct in this House which has been set in the past by my predecessors. I ask members to discontinue the practice of reading newspapers unless they first fold them up to a small size.

Another matter to which I desire to refer relates to interjections. When I call for order at times I am questioned by members as to whether they are allowed to interject. I refer members to the relevant Standing Orders, the first of which, Standing Order 139, says—

> No member shall interrupt another member while speaking, unless (1) to request that his words be taken down; (2) to call attention to a point of order; or (3) to call attention to the want of a quorum.

The next is Standing Order 153, which states—

> No member shall converse aloud or interrupt or make any noise or disturbance whilst any member is orderly debating, or whilst any Bill, Order or other matter is being read or opened; and in case of such noise and disturbance being persisted in after the Speaker has called to order, the Speaker shall call upon the member making such disturbance or interruption by name, and every such person will incur the displeasure and censure of the House, and shall be considered highly disorderly.

I know that during a contentious debate interjections are made, but the practice to which I strongly object is when a member rises to take part in a debate and a number of other members interject and almost make his speech for him. Neither side of the House is lily white in this respect and so, when a Minister, leader of an Opposition party or some other member rises to speak, I ask that he be shown the consideration of the House.

Any member rising to take part in a debate should be heard in silence. Unfortunately there has grown up a practice under which there may be half a dozen interjections at once, with the result that the member speaking cannot hear them all and they create disorder in this Assembly.

I appeal to members to help me in regard to these matters as it is not easy to maintain order in this House. I will endeavour, as far as is within my power, to have members conform to the Standing Orders, with a view to maintaining the high standard of this Assembly. I hope members will co-operate with me in this endeavour.

Mr. NALDER: I would like you, Mr. Speaker, to clarify your interpretation of the first standing order with reference to interjections. Do I understand that you intend to clamp down on all interjections? If so, I think it will make the position of members in this House much more difficult, particularly during debate. When a Minister or a member is speaking to a motion or Bill, a point may arise during the speech which can be clarified if an orderly interjection is permitted. I would like you to clarify the position still further and let us know your interpretation of the Standing Orders in that regard.

The SPEAKER: I would point out to members that under the Standing Orders all interjections are considered to be highly disorderly. But if an interjection is made in order to elicit some information, and it is quite orderly, I have no objection to it. But there are times when half-a-dozen members interject at the same time—and it applies to members on both sides—and this gives the speaker no chance of continuing with his speech. I consider that disorderly.

Some members are more unfortunate than others—and I refer particularly to the member for Cottesloe who is almost alongside me while others are much further away—because they cannot be heard as distinctly as can the member for Cottesloe when he interjects. Consequently perhaps I call him to order more than other members. I take strong exception to members reclining in their seats and almost making a speech while the member who is on his feet is trying to state his case. I will not allow that sort of conduct to continue in future, and I shall definitely enforce the Standing Orders if it occurs.

Members have an opportunity of eliciting information or clarifying a point during the Committee stage because then they can rise as many times as they like. So I ask members to assist me to raise the standard of debate in this Chamber. If they will do that, it will help me considerably.

PERSONAL EXPLANATION.

Minister for Transport and Newspaper Report of Interjection.

The MINISTER FOR TRANSPORT: I crave your indulgence, Mr. Speaker, to make a statement. Because this has happened to me on very many occasions, I address myself to you, Sir, in sorrow more than in anger. Last evening my attention was drawn to a report appearing in one of the editions of "The West Australian" wherein certain remarks were attributed to me and in connection with which I did not give expression. I have caused a check to be made with Hansard and I have discussed the matter with several members of the House, including some members of the Opposition all of whom agree, without any equivocation, that the damaaging statement attributed to me, reflecting most grievously upon local authorities, was never made by me.

I should like to read just a short paragraph from this edition of "The West Australian" wherein it states—

> Mr. Roberts (L.C.L. Bunbury) read circulars from both the Local Government and the Road Board Associations condemning adult franchise.
>
> The Minister for Housing (Mr. Graham): "They must be incorrigible rogues. Fancy people in a democratic state agreeing with that!"

The term I used was "incorrigible reactionaries." There is, of course, a meaning to that which is poles apart from the meaning of the words attributed to me. Rogues are people who are dishonest, unprincipled and who might be called scoundrels. On the other hand, persons who are reactionaries are those who are conservative in their outlook and not subject to the adoption of new ideas. Accordingly, what I said in connection with local authorities, I again affirm, was not what was attributed to me in the columns of "The West Australian."

Not only did I interject quite strongly but it will be recalled that the member for Bunbury actually used the phrase which I employed in denying my point of view which, of course, is his right. I can well imagine the very many esteemed members of local authorities throughout the metropolitan area and the country districts being incensed at what I am supposed to have said.

I do not know how it is possible to repair the damage; but I am mentioning the matter to you, Sir, and to members of the House, although it was during the Committee stage of the Local Government Bill that I am alleged to have spoken words which appeared in the Press. Having said that, perhaps I could ask that you, Mr. Speaker, request that the matter be

properly corrected so that no harm will be done me, not that that is a matter of any concern to members of this House, but I say in all seriousness that no responsible Minister of any Government would make such a serious reflection upon those occupying public positions in other spheres, however strongly he might disagree with their viewpoint in connection with certain matters.

QUESTIONS.

GRANTS COMMISSION.

Probate Duty and Taxation.

Hon. A. F. WATTS asked the Treasurer:

(1) Does the Grants Commission make a reduction in the grant to Western Australia because the severity of probate duty is less than the average of the standard States?

(2) If so, what reduction was made in each of the last three financial years?

(3) Is the severity of tax in each of the States calculated on a per capita basis, or how otherwise?

(4) Does the calculation take into consideration the question of the proportion of large estates there are in the several State, *i.e.*, if there is a greater proportion of estates whose valuations are in the higher ranges in the standard States than there are in the claimant States or any of them, is this taken into consideration in making calculations?

(5) If not, is it known whether there is such a greater proportion in the standard States in view of the much greater magnitude of business and industry there?

(6) If not, does he not consider that this factor should be inquired into so as to ensure a fair assessment of the respective tax capacity of the several States?

(7) Will he take steps to see such enquiries are made?

The TREASURER replied:

(1) Yes.

(2) 1953-54—£104,000;
1954-55—£128,000;
1955-56—not yet determined.

(3) No. In determining the relative severity of probate duty in a claimant State, the Grants Commission first prepares a standard schedule of rates based upon those levied in the non-claimant States. The preparation of this standard schedule is a complex procedure which takes account of all relevant factors, including size of estates, differing exemption limits, concession rates to certain classes of beneficiaries, etc. This standard schedule is then applied to the actual dutiable estates in the claimant State for the particular year under review in order to determine the standard revenue. The difference between this standard revenue and the actual collections is the adjustment required.

(4) As the method of calculation involves the preparation of standard rates which are applied to actual dutiable estates in a claimant State, the question of the relative proportion of larger estates in standard and claimant States is adequately taken into account.

(5), (6) and (7) Answered by No. (4).

HOUSING.

Vacancies, Mt. Barker and Denmark.

Hon. A. F. WATTS asked the Minister for Housing:

(1) What types of Housing Commission homes are vacant at present in—
(a) Mt. Barker;
(b) Denmark?

(2) Are these homes available for letting, or purchase, and if for sale, at what prices and terms?

The MINISTER replied:

(1) (a) Mt. Barker:
Type 20A—4-room timber frame with louvred sleepout—under offer.
Type 79A—4 large rooms timber frame with verandah—under offer.
Type 16B—4-room timber frame with open verandah—let the 6th November, 1956.

(b) Denmark:
16C—4-room timber frame with dadoed verandahs.
16C—4-room timber frame with dadoed verandahs.

(2) All available for letting. 79A, Mt. Barker, available also for purchase under the State Housing Act. Terms: Leasehold, £2,265; freehold, £2,445—over 40 years at 5 per cent. interest.

Rental homes available for purchase by tenant under Commonwealth-State housing agreement conditions.

TRANSPORT.

Vehicle Registration Fees.

Mr. JAMIESON asked the Minister for Transport:

What was the total amount paid in vehicle registration fees for the whole State in the financial year 1955-1956?

The MINISTER replied:

£1,291,139.

RAILWAYS.

Wheat Railed from Country Sidings.

Mr. CORNELL asked the Minister representing the Minister for Railways:

What quantities of wheat were railed from each of the following sidings—

Bonnie Rock;
Wialki;
Dalgouring;
Beacon;
Cleary;
Mollerin;
Kulja;

in each of the following years—

Year ended the 30th June, 1952;
Year ended the 30th June, 1953;
Year ended the 30th June, 1954;
Year ended the 30th June, 1955;
Year ended the 30th June, 1956?

The MINISTER FOR TRANSPORT replied:

	TONS.				
	1952	1953	1954	1955	1956
Bonnie Rock	1,163	104	1,342	947	1,929
Wialki	3,103	1,029	3,310	4,348	774
Dalgouring	551	43	748	1,098	2,215
Beacon	5,075	1,458	4,093	1,830	1,794
Cleary	681	473	895	1,236	1,733
Mollerin	5,410	917	5,137	2,920	2,918
Kulja	2,228	755	1,459	1,677	4,730

HOSPITAL, WONGAN HILLS AND DALWALLINU.

Files re Extensions and Renovations.

Mr. ACKLAND (without notice) asked the Minister for Health:

Will he lay on the Table of the House the files dealing with the extensions and renovations to the hospitals at Wongan Hills and Dalwallinu?

The MINISTER replied:

Yes.

BILL—TRAFFIC ACT AMENDMENT (No. 3).

Message.

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

Second Reading.

THE MINISTER FOR TRANSPORT (Hon. H. E. Graham—East Perth) [2.37] in moving the second reading said: This Bill, which is of considerable proportions, seeks to make quite a number of amendments to the Traffic Act, in addition to which it alters the basis of calculation for determining the motor-vehicle registration fees. At the same time it seeks to make amendments to the sum to be paid annually by persons who have licensed motor-vehicles. It should not be thought that the Bill in any way relates to plans which are in hand for the purpose of arranging, and rearranging, the pattern of traffic in the metropolitan area, particularly in the heart of the city. Neither has it anything whatever to do with the question of either kerbside or off the street parking. Nor again, is it in any way associated with ideas connected with public transport either operating under unitary control or on any other basis.

This measure seeks merely to amend the Traffic Act. There are quite a number of amendments and principles embodied in the Bill for which reason I feel that whilst no doubt there will be quite a number of contributions at the second reading stage because of the multifarious matters that are covered, this Bill lends itself more readily to intelligent debate during the Committee stages. It is my intention to deal, not with all but with the principal amendments, not necessarily in the order of their importance, but in the order in which they appear in the Bill.

The first proposal of any consequence is to abolish the existing privilege of motorists being permitted to license their vehicles for quarterly periods. This concession was introduced during World War II at the time when petrol rationing was the order of the day and when many people had no conception whatsoever as to what the future held. Further, in very many cases the quantities of petrol available to them by means of petrol tickets were so minute that some chose to license their vehicles only for perhaps holiday periods or something of that nature.

It is felt that there is no need for this short term licensing facility to be available to motorists. At the time, for very good reasons, some of which I have outlined, there was, by comparison with today, a very small number of motor-vehicles which were licensed. There are three times as many registered motor-vehicles at the present time.

The Police Traffic Branch has found that because of the tremendous volume of licences the officers are required to handle, there is scarcely sufficient time to issue the quarterly licences and then continue with the process of entries and recordings required in connection with them before they are called upon to prepare notifications for the motorists' next period. So from the point of view of administration, the system has become virtually unworkable and, in the opinion of those who are handling traffic matters, it is not necessary as regards the ordinary motorist. This proposition is also to be applied to the country districts.

In respect of that matter, the Minister for Local Government after consultation with the Secretary for Local Government, who got in touch with certain local government authorities or, I am not sure on this point—bodies representing local government authorities, found that no objection was raised to the proposal. Indeed, the views received were that something in excess of 75 per cent. of motorists—speaking of country districts—took out their

licences annually, and no doubt of the balance, very many would be taking out their motor-vehicle registrations for half year periods, which system it is not intended to disturb either in respect of the country or the metropolitan area.

There is, however, an exception to this general principle which allow for periods as short as one month for persons who own caravans, trailers or tractors, which are used periodically or only at certain times of the year. In other words, this is going half-way back to what was the accepted order in prewar days, and we are continuing the concession of six monthly periods.

Mr. Roberts: Is the short term licensing period operating in the Eastern States?

The MINISTER FOR TRANSPORT: I am unable to say definitely, but my impression is that it does not; or if it does, it is certainly exceptional.

Members of this Chamber, particularly those representing country constituencies where the people are engaged in primary production, and also those representing goldmining constituencies will be interested in the next amendment. It is provided in the Traffic Act at the present moment—I need not go through all the various particulars—that persons who are engaged in certain types of activities shall, subject to certain conditions, have issued to them by the local authority concessional licences at a 50 per cent. discount.

The Bill proposes that it shall be statutory for these local authorities to grant one such concessional licence upon application being made, but that in respect of additional concessional licences, it will be a matter at the discretion of the local authority itself. In other words, if the local authority thinks it should go the whole distance or half-way, it will be at liberty so to do, but Parliament, if it agrees, will be laying down that an owner who so applies shall be granted this particular concession in respect of one vehicle.

There is a proposal in the Bill that the present fee for transferring a motor-vehicle from one owner to another, which is now 10s., shall be increased to £1. In the metropolitan area the proposal is that the increase, which is 50 per cent. of what will be a transfer charge, shall be paid into a special fund to be used for the purpose of improving and making safer railway crossings. Some months ago when in the Eastern States, I was impressed by what was taking place in Victoria where, under a similar scheme but with charges based on horse power of the vehicles transferred, certain moneys are paid into a fund for the purpose that I have mentioned.

Recently when attending a meeting of transport and traffic authorities' organisations, representatives of road transport and the Royal Automobile Club agreed that, from their point of view, there would be no rooted objection to increased charges if levied upon the motoring public, provided—and this was underlined—that every penny of the additional moneys so earned was ploughed back into the development of roads and amenities generally associated with transport.

Having regard for the number of level crossing accidents that take place in many parts, and particularly in the metropolitan area, it is felt that if there is an ever-growing fund from which money can be drawn for the purpose of improving crossings—in some cases by tunnelling under the line and in others by erecting bridges over it—there should be no great exception taken to a proposal to establish such a fund. If it is felt by those representing rural constituencies that a similar course should be followed in country areas, I will be prepared to regard sympathetically any amendments they might bring forward to give effect to their desires.

While dealing with the question of transfer fees, I may mention that it is proposed to reverse the procedure so far as the payment of the transfer fee is concerned. At present the person who purchases the car pays the transfer fee of 10s. The Bill provides that the present owner who sells the vehicle, shall pay the transfer fee. There is a very good reason for this. Experience has shown that where person A disposes of his vehicle to person B, person A signs the transfer to person B whose responsibility it is to register the transfer, but he does not worry about doing it for, perhaps, weeks or months.

Although he is required to complete the operation, it is found in many cases that he does not do it. Accordingly, if the responsibility is placed on the existing owner, then part of the transaction of transferring the motor-vehicle will be the payment of the registration fee for the transfer. Members will agree that it is most desirable that the licensing authorities should at any given moment know, without any equivocation, the person who is the owner and who is, accordingly, responsible for the condition of the vehicle and its habits upon the road. This is a request that has been made by the licensing authority.

In the Bill it is proposed that there shall be an increase in licence fees. I shall have something to say about that later. So far as the metropolitan area is concerned, the intention is that 50 per cent. of the licence fees received in excess of the present level shall be paid into a fund for the purpose of carrying out works associated with the Narrows bridge—that is to say, the approaches and other matters pertaining to the bridge. I repeat, this is only in respect of the licence fees paid in the metropolitan area. The Narrows bridge and the major roads which will feed into it and take traffic from it, are of such importance to Western Australia—to all motorists of the State from

time to time and to the metropolitan people in particular—that it is essential there should be no let or hindrance in the matter of work being carried out on that project.

Irrespective of whether a motorist lives north, south, east or west of the heart of the city, that project is of direct or indirect importance to him. So the Bill envisages that, for a period of 10 years, 50 per cent. of the increased traffic fees received in the metropolitan area shall be devoted to the purpose I have outlined. I might mention here that in the Bill at the moment there is a somewhat restricted description of works which might be undertaken from the moneys set aside in the fund I have mentioned, but it is intended to broaden that somewhat—still for the same general purpose—so that the description may not be as restrictive as it appears in print at the moment.

Members may be aware that the Traffic Act lays down that from the metropolitan traffic fees a sum of £20,000 per annum may be used for the installation of traffic lights and signs. The Bill proposes that this amount shall be increased to £40,000 per annum. There should be no objection to this provision because of the undoubted boon that traffic lights and clear signs are to the motoring public.

In addition, experience has shown that nothing like real and full value can be derived from traffic lights unless there is a whole sequence of them. Unfortunately at present we have a few traffic lights situated in certain positions, and possibly one travels miles before coming to another set, and more miles again before further lights are encountered. Because of this fact, motorists become accustomed, as they proceed on their journey, to keeping their own look-out for approaching vehicles, and the traffic lights escape their attention.

Whilst, perhaps, there have not been many serious accidents, there have been many near misses. In any event, it will be appreciated that it is desirable that we should, at the earliest possible moment, have as many lights as are warranted, particularly at the busy and dangerous intersections and junctions. Traffic lights should be installed in the interests of safety and also in the interests of a smoother flow of traffic, and, thirdly, but by no means least, so as to allow some sort of breathing space for pedestrians who are seeking to cross busy highways.

The Bill also provides that from the metropolitan traffic fund, which is built up from the traffic fees paid in the metropolitan area, the Minister may authorise payment for the erection, improvement and maintenance of shelter sheds for public transport passengers. I might say that it is not desired that there shall be ministerial interference where it can be avoided but there has, unfortunately, been a reluctance on the part of some local authorities to make proper provision for people who are waiting for public transport.

I do not in any way wish to reflect upon the Perth City Council because I know its reasons for the attitude it has adopted, but I say now that it is a pitiable state of affairs to have, particularly during the winter months, many hundreds of people standing in queues in St. George's Terrace and elsewhere with driving rain beating on them without their having any form of shelter or protection whatsoever.

So there is a provision that if the Minister feels that the position warrants it, moneys from the traffic fees can be used for the purpose of providing this amenity for the travelling public. Because of the speed with which the Bill was drafted—this was necessary for certain reasons—the provision in question will require some amendment. I need say no more than that other than to point out that at present it provides that the moneys should come from the fund instead of from money which would normally be allocated to a local authority where the shelters are built in the district governed by that local authority. We can discuss it in detail at a subsequent stage.

Quite a considerable proportion of the Bill deals with the setting down of conditions under which overseas visitors can drive their cars in Western Australia, notwithstanding that there are certain features about those vehicles, and perhaps about the drivers' licences and so on which are contrary to our traffic laws; and this provision is to conform to legislation passed in other States of the Commonwealth. It is of particular interest at present because there are so many people arriving in Australia to witness the Olympic Games and quite a number of them may, when the games are over, desire to embark upon motoring excursions, holiday jaunts and perhaps even business trips to the various parts of the Commonwealth. Those who have brought their own vehicles with them would no doubt desire to make inspections, visit beauty spots and the rest of it.

Whilst the provisions in the Bill are drawn at greater length than is the case in some other States, I am informed that the principle contained in the amendment is to place the overseas motorist on an equal basis, irrespective of the State in which he happens to drive his vehicle. Of course, there are certain safeguards and protections in the matter of customs duty and the rest of it. Naturally, the concessions to overseas motorists are of a limited duration only.

There is a clause in the Bill which will allow the traffic inspector of one local authority to gather information in the district of another local authority. At present the activities of a traffic inspector are confined to his own district, which is the district of a municipality or of a

road board, as the case may be. But there could have been breaches of the traffic regulations committed within the confines of a certain local authority by a person residing in the district of another local authority. At present the traffic inspector cannot make direct inquiries from someone residing in another local authority's district. It is thought that the provision in the Bill will facilitate the gathering of full, complete and relevant particulars regarding traffic matters generally.

At present there is a provision in the Act under which a person seeking to obtain a learner's licence in order to learn to drive or ride a motorcycle, can do so. But no conditions are laid down as to the various processes to be followed in order that a person may be permitted to ride the vehicle on a public way. The Bill sets out that the learner must be accompanied by a person who has had a licence for not less than twelve months, and the learner must be accompanied by that person either on the pillion seat or in a sidecar. In other words, it will ensure that there will be somebody who has had reasonable experience in the company of the learner during the period he has his learner's licence.

It will be recalled by many that, commencing from ten years ago, Parliament decreed that in respect of certain serious traffic offences the courts should not only have the power but should also be instructed, as they are, to cancel drivers' licences for varying periods or permanently in the case of a succession of offences. It has been found from experience that there are some anomalies in connection with this matter.

Perhaps I should deal firstly with the most serious offences—or the one which is generally regarded as the most serious —namely, a charge of driving whilst under the influence of liquor or drugs so as to be incapable of properly handling or driving a vehicle. For the commission of the first offence, apart from the fine or imprisonment, there is a suspension of the driver's licence for a period of three months. For the commission of a second offence there is suspension of the driver's licence for a period of twelve months, and for the third offence there is a life suspension or total cancellation of the driver's licence.

This provision, or something similar to it, was introduced and agreed to by Parliament in 1946. But let me give an illustration, drawn from my own imagination, but which could have a general application. Prior to 1946 a person could have been charged half a dozen different times and been fined by the court for being under the influence when in charge of a vehicle. But he still has his licence because he has not committed a breach, so far as being under the influence is concerned, since the date when automatic cancellation for a period, or completely, took effect. Yet somebody else could have committed two offences prior to 1946, when neither he nor anybody else had any notion that for three offences there was to be a permanent cancellation, and for the commission of one breach since the passing of that measure in 1946 he would find himself—and there is no choice or discretion left to the court—without a licence for the rest of his life.

Such a person is placed in exactly the same category as a person who has committed that breach against the traffic regulations on three occasions since 1946. I am certain that that was not the intention of Parliament in regard to the cancellation of licences, but unfortunately we have provided that the penalty regarding suspension or total cancellation of licences shall be retrospective. The Bill is drafted in such a way that regard must be had only for offences committed since the 1946 amendment came into operation. The other penalties of fines or imprisonment would have to be dealt with by the court naturally having regard to previous offences whether they were committed ten or twenty years ago. An amendment to this effect will be submitted.

In much the same way amendments were introduced in 1953 and they had application to negligent and dangerous driving, and for the commission of a second offence the Act states that a person shall have his licence taken away for a certain period. The arguments I could adduce in support of the new proposals in this regard would be identical with those I have used in connection with the other matter. I think that, generally speaking, Parliament has been most reluctant to introduce legislation which has a retrospective application, particularly so far as it refers to penalties and more especially where those penalties are of a dire or extreme nature.

The next provision is an important one. It sets out that where minor offences have been committed, the person who is the owner of the vehicle concerned must accept responsibility for that vehicle unless he supplies information so that the person for the time being in charge can be apprehended. If the present state of the law were fully appreciated by everybody, I doubt whether it would be possible to sheet home many charges for traffic breaches. I want to emphasise that what I am speaking about at the moment applies to minor offences only; where there is any major offence against the Traffic Act and regulations the ordinary processes by the police or the traffic inspectors in country districts take place.

Earlier this year, when I was in Brisbane attending a housing conference, I found that because of the lack of a provision such as I am submitting in this

Bill, the traffic in that city had reached a stage of absolute chaos. It is necessary in that city—and I understand that it is the same in Perth, but it is not generally known by the public—for an offender to be actually personally apprehended. The experience in Brisbane was that there were "no parking" signs and the rest of it and a motorist could blithely place his vehicle where he liked.

There would have to be a traffic inspector standing about waiting to serve a ticket upon the offender. But, of course, the person concerned would see the traffic inspector waiting there and he would slip in and have another one, take a walk around the block or do something else until such time as the inspector got tired of it and walked away. Or, perhaps if the inspector was in spot A, somebody whose vehicle was similarly committing a breach of the traffic regulations in spot B could get away with it, and the position has just about reached the stage where it necessitates one inspector for every vehicle.

So far as I could see, nobody was taking any notice whatsoever of the traffic regulations because they provided that, whatever an offender did, he had to be personally apprehended before the offence could be proved. I keep on emphasising that this is only in relation to minor breaches of the Traffic Act and regulations, to which we made certain amendments last year providing that motorists could pay the penalties for these minor offences without appearing before the court in the ordinary way.

One can easily visualise that a motorist could have a ticket placed in his car for parking too close to an intersection, or in a prohibited place, by a constable or a traffic inspector, and all he would have to say would be, "I was not driving my car that day. That offence having been committed two weeks ago, it could have been my wife or my best friend, but it was certainly not me." By his telling a white lie such as that, it would be impossible to sustain any traffic charge against him. In other words, it would be absolutely impossible to maintain any sort of order in the regulation of traffic.

Mr. Ross Hutchinson: Has that happened here?

The MINISTER FOR TRANSPORT: Yes.

Mr. Lapham: What happens if the excuse is genuine?

The MINISTER FOR TRANSPORT: I would take a little convincing to believe that a police officer would deliberately give a person a parking ticket for having overstayed the prescribed period in a certain place when, in fact, that person had done no such thing.

Mr. Lapham: That was not the question.

The MINISTER FOR TRANSPORT: Perhaps we can discuss it in private presently or debate it in Committee.

There is another provision in the Bill which seeks to make the Traffic Act conform to a certain provision in the Railways Act. It is most extraordinary that at the present moment one is required to do certain things under the Traffic Act when approaching and passing over a level crossing, which are different from what one is required to do under the provisions of the Railways Act when one is passing over the same crossing. Therefore, whatever one did it would be wrong and in either case, treated individually, a different penalty could be imposed. So this particular amendment proposes to bring the Traffic Act into line with the Railways Act. For example, the provision might be that a motorist is not permitted to pass over a level crossing if a train is approaching that crossing within a certain distance or should a stop sign be provided, the motorist is required to stop. If a breach is committed, a penalty shall be imposed. This is merely a machinery provision.

Another amendment seeks to permit the traffic authorities to take action in regard to lights on buildings which have a similar colouring to traffic lights. Parliament has already agreed that from sunset to sunrise there is a hazard to traffic if lights on buildings are of the same colouring as traffic lights which may be in close proximity and which may be situated in such a way as to cause traffic confusion or to make it difficult for motorists to see or distinguish the traffic lights. With the strong light in this country and with the sun shining on the traffic lights, the hazard is aggravated if there are advertising lighting signs on buildings, either fluorescent, flashing or otherwise. In these circumstances, a serious accident could quite easily occur apart from the general confusion that might be created in the regulation of the traffic. Therefore, it is proposed to empower the traffic authority to require that throughout the 24 hours of the day certain lights shall either be removed or modified in some way so as not to affect the purpose of traffic lights.

It is obvious that there is a great deal of concern on the part of members and of the community in regard to the stealing of motor-vehicles. For those members who are getting impatient, I would point out that this will be the final point that I will explain before getting to the milk in the cocoanut, which is the increase in traffic fees. It is found in this State that there is a greater prevalence of unlawful use of motor-vehicles than there is in South Australia where there are more vehicles and a greater population.

Mr. Jamieson: How much greater?

The MINISTER FOR TRANSPORT: From memory, that State would have about 25 per cent. more population than this State and the increase of motor-vehicles would be in the same ratio or perhaps the ratio of vehicles would be greater

still in that State. On inquiry I find that South Australia has provisions somewhat similar to those which are intended to be introduced into our legislation. My impression generally as a layman, has been that we tend to treat far too leniently this offence of unlawful use of motorcars. I posed this question to the police: Why is it that it is a comparatively minor offence for someone to unlawfully take or steal £1,000 worth of goods in the form of a motor-vehicle which is lying in somebody's yard, in a lane, against a kerb, or in a parking area, compared to somebody who thieves £1,000 worth of goods of another type?

After a great deal of discussion and papers passing backwards and forwards there seemed to be a better appreciation of my underlying purpose in regard to the matter. Accordingly, this Bill has been drafted, I repeat, somewhat along the lines of the South Australian Act, to demonstrate to the courts and members of the public and to the youth of the community in particular, that the theft of motorcars is no longer to be lightly regarded or looked upon as an escapade to be bragged about afterwards, but is to be treated as an anti-social act.

It will be seen that the Bill provides that there shall be, in the case of a first offence, either a fine or a term of imprisonment imposed. Of course, in the case of a child the imprisonment would mean being committed to an institution for a prescribed period. Nevertheless there is a minimum fine laid down. For a second or a subsequent offence there is a penalty of imprisonment and a minimum period provided so that the magistrate or the person sitting on the bench cannot be generous when dealing with the case.

Furthermore, the offender can be held responsible, at the discretion of the court, for payment of any damage or loss occasioned to the owner of the vehicle. While it may not appeal to some, the Bill does seem to dovetail, to a certain degree, with the Bill introduced by the member for Moore, which should have the effect of making parents and guardians of children show a little more concern in regard to the conduct of their offspring.

There is a further penalty, namely, that the licence can be taken away for a certain period and where a licence is not held by the offender, such person can be debarred from obtaining a licence for a certain period or, in the case of a youth whose age is perhaps 15 years, there is to be a 12-months disqualification imposed by the court which shall not commence until he reaches 17 years of age. In such event he would not be eligible to submit an application for a driver's licence until he was 18 years of age.

Again, no doubt the terms of the amendment can be debated at considerable length when we reach the Committee stage, but I would point out here that I have had discussions with Hon. A. R. Jones, M.L.C., and Mr. Oldfield, the member for Mt. Lawley, both of whom have introduced Bills to amend the Traffic Act which aim, at least in part, at dealing with this question of the theft of motor-vehicles. Both of those members, however, have been good enough to agree to postpone their Bills until such time as the Government measure is introduced and discussed so that they can see what is involved in it or possibly submit amendments to it according to the point of view that they hold, upon which their own Bills are based.

In Western Australia for a period of 12 months from the 10th September, 1955, to the 9th September of this year, 752 cars were reported stolen. In South Australia for a 12-months period ended 30th June of this year only 624 vehicles were reported stolen.

Hon. Sir Ross McLarty: That would probably be not less than £700,000 worth of cars stolen.

The MINISTER FOR TRANSPORT: That is so, but if the behaviour with respect to the States were the same, we would expect the figures to be reversed; that is, 752 stolen in South Australia and only 624 in Western Australia. That leads me to believe that the penalties contained in the South Australian legislation could, with advantage, be adopted in Western Australia.

With regard to traffic fees, the position is that apart from a concession granted during the war years, when petrol was rationed and accordingly drivers were greatly restricted in the use of their vehicles, the registration fees have remained unaltered since 1923. The year 1923 is a long time ago, before some members of this House were born. It was a time when money had a value totally different from that obtaining today. Surely it should be obvious that some adjustment should be made for the purpose of conforming more reasonably to the present-day requirements.

The increases proposed in the Bill go approximately half-way only to what they should in order to compare, on a reasonable basis, with the fees applying in the other States of the Commonwealth. The Treasury naturally is somewhat concerned with the effect of this on the State. In a minute to the Premier the Under Treasurer had this to say with reference to the Grants Commission—

> On the experience of 1954-1955, the last year for which figures are available, Western Australia suffered an unfavourable adjustment of £765,000.

Since that time the margin has increased to an even greater extent. Now that Victoria has increased its charges to make

them more comparable with the other States of the Commonwealth, Western Australia is left out on a limb completely. The overall charges will return approximately 45 per cent. more in fees than the present figure, which is £1,300,000 a year, in round figures, paid to all the licensing authorities in this State.

The Under Treasurer states that if Western Australia were to lift its rate to a figure so that we would not in future have unfavourable adjustments against us, then the motor-vehicle registration fees should be 84 per cent. greater than today; in other words, nearly twice as much as is proposed. It will be found—I intend to give a few examples—that in some cases there will only be minor increases but in other instances very severe increases in such registration charges.

The reason is that something is being attempted now which should have been done many years ago to remove Western Australia from the Dendy Marshall formula which is used for calculating the power-weight of a motor-vehicle. It is a formula which is used by Western Australia and by this State only. It does not bear any relationship to the true position which it was designed to represent. Accordingly, Western Australia, in the terms of this Bill, is now being brought on to the standard formula, or what is usually referred to as the R.A.C. formula. Because the formula is being altered at the same time as a revision of the rates is being made, it does appear that anomalies will be created.

On the other hand, I stress that the new provisos will correct anomalies that have been in existence for very many years. Beyond that, they seek to bring this State just a little closer to the other States of the Commonwealth, than applies at present. We are today a long way behind the other States. Perhaps I can give an example in that respect. Take, for instance, one of the most popular vehicles of recent vintage, the Holden car. In New South Wales the charge is £8 3s. 4d.; in Victoria it is £9 4s. 6d.; in Queensland £12 6s. 0d.; in South Australia £11 10s. and in Tasmania £9 14s., but in Western Australia it is only £5. From that it will be seen that the other States pay between 75 per cent. and 150 per cent. more in fees than are paid in Western Australia.

Mr. O'Brien: That applies to licence fees only?

The MINISTER FOR TRANSPORT: Only to licence fees. In connection with the related fee for third party insurance, the charge in this State is only a fraction of what it is in the other States. That is certainly true of at least two of the other States. So much for the position in regard to motorcars.

In connection with wagons and vehicles of that nature, it is proposed to work on the power-weight basis, instead of a power-load-weight basis, because, taking into account the maximum carrying capacity of a motorcar, some extraordinary results can be arrived at. One is a vehicle capable of carrying a large load, but it does not necessarily follow that it is, in fact, carrying any more than a vehicle which is capable of carrying a far smaller load. In any case, this change has been introduced with a view to making Western Australia uniform in its basis of calculation—not so far as its charges—with the other States, because in the majority of cases we shall still pay less for wagons and trucks than is the position in the other States of the Commonwealth.

No doubt there will be some opposition to the measure and protests will be made because the charges based on the formula set down will be double, in the case of a diesel operated vehicle, that is to say, a vehicle using fuel other than petrol. In every other State this double imposition applies. The reason is obvious. The person driving a vehicle using petrol as a fuel is making, apart from registration fees altogether, a contribution to the road through the petrol tax which he pays; whereas the owner or operator of a diesel driven vehicle travelling over the same road is not making such a contribution.

The additional moneys that will be raised is estimated at approximately £630,000 in a full year. The Government finds itself in the position of having—apart from the several matters that I mentioned earlier in my remarks—to be the initiating body in the matter of further charges on motorists, but the overwhelming preponderance of the fees that will be received will go to other people. In the case of country districts, as envisaged in the Bill, every single penny of the additional fees received under motor-vehicle registration will go to the local authorities.

It was suggested that provision should be made in the Bill to require the local authorities to spend the money received from traffic fees on roads, and roads only. Personally, I would be in favour of such a course but I am informed there would be all sorts of difficulties in keeping a check on the matter. In certain cases local authorities simply could not exist without their traffic fees. If that be the position, I say without prejudice that such local authorities should not exist. It is a fact that traffic fees are being used in all kinds of directions by some local authorities, instead of being given back to the motorist by the provision of better roads and facilities to enable him to drive his vehicle, whether it be for business or for pleasure.

Perhaps the best appreciation of the position to show the significance of the formula is to give several illustrations to indicate what the effect will be. In the case of a Morris Minor at present the licence fee is £3 a year; under the proposals the fee will be £4 16s.; the average of the other States of the Commonwealth is £7 4s. In the case of a Holden car the present charge in Western Australia is £5; that will be increased to £8 4s.; the average of the other States is £10 3s. 6d. Proceeding to the larger cars, in the case of a Ford Customline the present licence fee in this State is £9; under the Bill it will be increased to £12 4s.; the average of the other States is £14 10s.

So far as trucks and wagons are concerned, and I mention them because a different formula applies, the Austin A40 utility pays £5 10s. at present; it will be increased to £7 17s. 6d.; the average for the other States is £8 12s. 6d. Taking one of the heavier types, an International AR. 130 truck, at present the licence fee is £11; it will be increased to £21 12s.; the average of the other States is £23 6s.

As regards omnibuses, there is only one example because I have not the comparison with the other States. The figures I quote for Western Australia are those used by the Grants Commission. A Leyland motor-omnibus pays a licence fee of £75 15s.; the proposed licence fee for the power-weight of such a vehicle will be £61, but a diesel operated vehicle will be double that amount, or £122. I am sure that in this respect, the Western Australian figure will suffer by comparison with the Eastern States and we will still continue to be penalised.

The Government does not intend that we should willy-nilly be dragged by the Grants Commission in respect of this matter. For this reason, I repeat that we have not gone much further than halfway of the distance we should go if we were to give effect to what the Under Treasurer is anxious to carry out in the interests of the State.

There are many more details in connection with this matter, but they can be elucidated either in reply to the second reading debate or at the Committee stage. I wish again to stress the fact that the comparatively small charges, when we trace the figures back to those of 1923, the year in which the present basis was laid down, are extraordinarily low and will impose no insuperable burden on anybody. I move—

That the Bill be now read a second time.

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

Sitting suspended from 3.46 to 4.4 p.m.

BILL—FRIENDLY SOCIETIES ACT AMENDMENT.

Received from the Council and read a first time.

BILL—LAND ACT AMENDMENT (No. 2).

Second Reading.

THE MINISTER FOR LANDS (Hon. E. K. Hoar—Warren) [4.5] in moving the second reading said: This Bill seeks a very small amendment to the Land Act and its purpose is the authorisation of the issuing of timber-free grants where land was acquired under conditional purchase leases, which at that time did not contain a reservation of timber rights to the Crown.

Earlier this session the unfairness of the present legislation in this regard was pointed out by the Leader of the Country Party, the member for Stirling, and I agreed with him that it was most unfortunate that a lessee of land, who has complete rights over the timber on it up to the time he has completed all development of the property, upon applying for and receiving a Crown grant, should find that the ownership of the timber automatically reverts to the Crown.

Prior to 1933 the conditional purchase conditions contained no reservation whatever of timber rights to the Crown and the owners of such land felt that they had a right to ownership of the timber, but due to a more recent interpretation by the Solicitor General, the position now is that a number of farmers, who are morally entitled to retain possession of their timber, are unable to do so.

Before 1954 the department recognised that these timber rights existed in the case of the settlers concerned and issued Crown grants under which the farmer retained right of ownership, but in that year the Crown Solicitor ruled that the lessee did not obtain a vested right to a Crown grant until he had paid the purchase price and fulfilled all the conditions and obligations under the Land Act and that, when that had been done and a grant was issued, it must be in accordance with the law of the land at the time.

Just because the law lays down that all timber shall be reserved to the Crown, we have these unfortunate instances—not very many of them—where persons are deprived of ownership of something which, all their farming lives, they have fully expected to be theirs. Whilst the land is held as a conditional purchase lease under the old 1898 Act, under which that type of lease originated, we have the anomalous position that the farmer holding the lease can actually destroy the timber on his property—he can cut it down and burn it, or sell it—so long as in his lease there is no provision for the reservation of the timber.

However, the moment he applies for the Crown grant in respect of the property, having completed his obligations under the Act and having paid the full purchase price, owing to this new interpretation he is denied the rights of ownership of the timber. We know of quite a number of

such instances and they have caused embarrassment and some considerable disappointment to the holders of the land. I do not think either the Minister or the Government of the day—when the 1933 Act was passed by Parliament—ever intended to take away these rights but did intend to establish a situation in which certain areas of land would be reserved for forestry purposes and to ensure that all timber that had not been alienated up to that time should from then onwards be reserved to the Crown to keep our forestry work and timbermills going in perpetuity.

In view of the position as I have explained it, I feel that the 1933 Act should be amended in the manner proposed by the Bill in order to eliminate the difficulties of those who are suffering in the way I have mentioned. Another reference in the Bill is to what is called a limited reservation. This term has been included to cover the few cases where, subsequent to 1921, sawmillers were authorised to cut timber on specified portions of conditional purchase leases, which had been issued without a total reservation of timber rights.

As an illustration, there might be a 300 or 400 acre area of land ideally suited for agriculture but because it had on it 30 or 40 acres of marketable timber, it was denied to anyone who wished to acquire it for farming purposes. The Bill therefore contains provision to overcome the difficulty and restore timber rights to the persons concerned. As I have said, the member for Stirling pointed out what I believe to be serious weaknesses in the present legislation, and this measure seeks to overcome them. I move—

That the Bill be now read a second time.

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

BILL—ADMINISTRATION ACT AMENDMENT.

Second Reading.

Debate resumed from the 6th November.

HON. SIR ROSS McLARTY (Murray) [4.15]: At the outset I want to say that I have no enthusiasm for this Bill at all. I have never been one who had enthusiasm for the levying of what we know as death duties. I know that in many countries of the world this tax is imposed. Even so, I always feel that it is an unjust tax and Governments make more use of it than they should. We in Australia are in a peculiar position because we not only have heavy State death duties but we also have heavy Commonwealth death duties. So there is a double tax and, as we know in these days where valuations are being greatly increased, the amount received from death duties is increasing at a rapid rate.

The Treasurer, when introducing this Bill, said that for many years there had been widespread criticism of the existing system of applying death duties; and, of course, that is so. There has been much complaint in regard to the manner in which death duties have been applied. The Treasurer went on to say that many anomalies and injustices have arisen under it. I do not doubt that, and there are certainly undoubted anomalies in this Bill which I was hoping would be rectified.

I did not expect this Bill to be dealt with today and because of that I told certain people concerned—and vitally concerned—that I did not think it likely that we would proceed with the Bill until Tuesday next. I may not have had any justification, apart from my own feelings, in giving them that information, because I did not consult the Treasurer about the matter at all. I do know, however, that certain inquiries were being carried out and much research work has been done; and there has been a considerable rush on the part of certain people to ascertain what these additional duties will mean.

The Treasurer: There is no intention of trying to push the Bill through today.

Hon. Sir ROSS McLARTY: That is very nice to know. As I said the other day when speaking to the Supply Bill, I regard these death duties as a capital levy. We have certain people who, from time to time, in order to meet the national debt position have advocated that there should be a capital levy on estates and that it should be used for debt reduction. This is to all intents and purposes a capital levy because death duties take a considerable proportion of deceased estates. I have some figures here which will indicate that in some cases they take a considerable proportion indeed and strike a severe blow at those estates. The Treasurer went on to say that the Grants Commission had drawn attention to the fact that we were below the standards of the other States, and in his speech he gave the per capita payments of each State and a comparison of our own, which proved to be the lowest.

Then again, the Treasurer said that from this tax he would receive an additional £170,000. I have no doubt that he has arrived at this increased figure because of the advice that has been given to him by his expert officers. Whilst I have not got the details possessed by the Treasurer, I would think that that figure of £170,000 would be very considerably exceeded. I say that because these valuations to which I have referred, particularly land valuations, have been increased, so I am told, in many cases by as much as 300 per cent. Some time ago I was told by a farmer—and I found it very hard to believe this—that his valuation had been increased by 700 per cent.

The Minister for Transport: He must have been getting away with plenty for a long time.

Hon. Sir ROSS McLARTY: I know at the present time that the Taxation Department has officers out making fresh valuations. I also know that those valuations are likely to be considerably increased, and when those who own properties receive the notification as to what the valuations will be in future, they will undoubtedly get a very considerable shock.

So I say again that this additional figure of £170,000 which the Treasurer says he will get under this measure will, in my view, be very largely exceeded. In the last twelve months there has been an additional amount of £40,000 odd received from probate. From 1945 to 1955 an amount of £1,062,082 was received but for the financial year 1955-56 the amount was £1,106,615. So last year there was an increase of £44,533, and that amount next year will, I should think, be very considerably exceeded.

Another point that strikes me is that because of our peculiar difficulties as a State we receive special consideration from the Grants Commission. I would think that if these difficulties applied to the State, they would apply, in some measure at least, to the individual. I was rather struck today by a question asked by the Leader of the Country Party in which he implied that there were many more large estates in the standard States, and as a result of that, probate duties from those very large estates were much more than would be received in Western Australia. It naturally follows that where we have a greater volume of wealth, there we have a greater volume of taxation by way of these increased death duties.

I now want to say something about some of the provisions contained in the Bill. The existing exemption of £200 is to be raised to £1,000. I think we will all approve of that. But an amount of £1,000 is not very much, and any man who dies today leaving a home or motorcar or a bit of furniture, will soon have the valuation of those articles brought up to £1,000.

The home should be fully exempt. I say that because there are many people who when they die leave nothing but a home. In these days particularly, they are highly valued and it might be the only thing that a widow has left to her. No matter what the value of it might be—provided it is not a mansion and there are few of those left—it would not be revenue-producing in any way. Yet, because the value exceeds a certain amount, the widow is taxed on it and has to meet death duties.

There is a further provision in the Bill to give the Treasurer discretion to defer payments for the whole or any part of any duty which might be payable in respect of an estate where the value of that estate and final balance does not exceed £10,000; the value of any dwelling-house in the estate does not exceed £6,000, and provided the widow has used the house as her private residence. There are cases of a husband and wife who may both be pensioners—the wife owning the house—and on her death the pensioner husband—under the proposed amendment—would be considerably embarrassed in finding the required probate. I should say that it would be difficult for the husband in many cases to raise a mortgage.

Members will appreciate that fact because today pensioners, if they desire, need not pay rates and taxes. These accrue on the estate and on the death of the pensioner they have to be met before his estate can be wound up. But because of that fact, it would mean that the estate would be a diminishing one. As a result, it would not provide good security in many cases and it would be hard to raise money on it. Accordingly, if the Bill passes the second reading stage, I propose to try to amend the clause to which I have referred, with a view to inserting a provision giving the husband the right also to apply for the payment of probate duty to be deferred during his lifetime. I hope the Treasurer will give consideration to this point because I think it is one that merits consideration.

The rate at present on estates up to £6,000 which go to a parent issue, husband and wife, and the issue of the husband or wife, is halved. These rates apply until this measure becomes law. When the provisions of this Bill, if carried, are proclaimed, they will apply to a widow and children under 16 years of age only. If a wife leaves her estate up to £6,000 to her husband, full rates will apply as they also will respecting children over 16 years of age. Up to the present half rates have applied. Under the present proposal £150 will be paid on an estate of £6,000. With a loss of this half rate concession, a person will pay an additional £150, and a further £87 under the proposals in the Government's Bill, or a total of £237, which will be a 158 per cent. increase.

This is an enormous increase and makes me think of the tremendous argument we had when a betting Bill was before us. At that time interest rates were discussed at very considerable length. Yet here we have an increased rate of 158 per cent. on what is indeed a very small estate. An estate valued at £6,000 is a very modest one in these days, as I am sure everyone will agree.

There is a new provision in the Bill which takes away the right of a husband to apply for a postponement of the payment of probate duty. I have already said something about that and, as I have indicated, I propose to move some amendments with regard to it. I am afraid some people consider probate tax as something that does not matter very much as it does not hurt the person whose estate is affected; it is left to worry others. It certainly is left to trouble the beneficiaries who, in many cases, do a great deal of worrying.

We know that the Farmers' Union has been very much concerned in regard to probate duties because of the fact that with the greatly increased values, many members of the union have had to face really serious difficulties in financing heavy probate or death duties, both Federal and State. It is not easy to realise on some assets in order to meet payments readily and in many cases they are the most valuable part of the estate.

Many executors from time to time have found themselves in the position of being left with estates that are of very little value and have been extremely hard to dispose of. I know of a case where there were shares in a private company and a very considerable value was placed upon the shares, but the executors found great difficulty in disposing of them and as a result, great difficulty in finding the ready money. I am afraid the Treasurer cannot do very much about this, but I have advocated it and do so again, that bonds should be taken if not in full payment at least in part payment of probate. We know that the bondholder has suffered over the years by a severe loss of capital, despite the fact he has paid for the bonds at face value.

I will admit that when estates are valued, the bonds are valued at market value, but where money is tied up in this manner, and where a strong appeal has been made to people to invest in bonds, as has been done by the Prime Minister and the Commonwealth Treasurer and the State Premier, this had the effect in many cases of inducing people from patriotic motives to invest in Commonwealth bonds. When I was in the position of the Treasurer, I did raise this particular matter at a Premiers' Conference, but I did not get any further with it. However, I still feel there is justification for it, and in view of the hardships inflicted on certain estates where the deceased person has taken out bonds, I think some consideration should be given to this suggestion.

Then again, I find that the probate duties on estates of between £10,000 and £40,000, which are left to dependants, will be higher in this State than in New South Wales and Victoria. On estates of £10,000 the amounts will be just about the same. I think in Western Australia we are £4 worse off in regard to an estate of £1,000 but when we go to £15,000 in New South Wales the amount payable would be £1,013. Victoria on the same amount would be £925, Western Australia at present is £1,230 but under the proposals contained in this Bill the amount will be £1,320.

Let us have a look at a £20,000 estate. In New South Wales the amount payable is £1,600; Victoria £1,425; Western Australia at present £1,900 but under the proposals of this Bill it will be £1,988. Therefore we can see that in the middle group our taxation will be considerably heavier than that in the two standard States of New South Wales and Victoria. I think that we should have had a complete overhaul regarding our probate duties and I would say, too, that where any two members of one family die within three years, the same estates should not be dutiable twice. This has inflicted very real hardship on people with moderate estates.

Even if it be only the home, motorcar, furniture in the home and some other what we might term minor assets, where there are two deaths following so quickly and the same estate has to be taxed again within three years, to provide this probate duty is certainly a burden which I think is unjust and a limit should be put to it. I would suggest that that limit be three years. I would exempt probate duty on life insurance policies up to £2,500 and also superannuation benefits up to a similar amount.

Many thousands of people today are trying to do something to provide their death duties through insurance. There was a time when life assurance policies were not taxed for income purposes, but those days are gone. I know today that we are allowed a certain exemption in regard to assurance—I think it is £200—so an insurance policy becomes part of the estate and is taxed for probate. I say it would be a fair thing if there were an exemption of taxation in regard to life assurance policies.

The home should be exempt to a reasonable amount. Very often it is the only asset which the deceased person may have had. I think it is important to remember that the State probate tax is not the only tax; we have Commonwealth taxes operating as well. In these instances the Treasurer is going to exempt estates up to £1,000, but he is giving away very little. When we look at an estate of £1,000 the Treasurer is to get £20 and only half that amount when it is left to dependants. So the Treasurer is giving very little away when he makes this concession. Where such value exceeds £500, but does not exceed £1,000, 2 per cent. is the charge. So we can see that not much is being lost because in the case of dependants only half this amount would be chargeable.

If we take both Federal and State duties payable today on £1,000, £10 would be paid to the State if the estate is left to dependants and nothing to the Commonwealth. On £2,000 it would be £30 to the State and nothing to the Commonwealth. On £3,000 it would be £60 to the State and nothing to the Commonwealth. On £4,000 it would be £80 to the State and nothing to the Commonwealth. On £5,000 it would be £125 to the State and nothing to the Commonwealth. However, when we get to the £6,000 mark it would be £150 to the State and £34 to the Commonwealth, making a total of £184, but under this proposal the State will take £194 and the Commonwealth £32, and the amount on a £6,000 estate will be £226.

I do not propose to read all these tables. but let us have a look at some of the other estates. At present on a £10,000 estate the total amount payable in probate is £690, of this amount £510 goes to the State and £180 to the Commonwealth. Under these proposals the State will take £554 and the Commonwealth £178, the total amount being £732. On a £15,000 estate, at present the State takes £1,230 and the Commonwealth £407, a total of £1,637. Under this proposal the State will take £1,320 and the Commonwealth £399, a total of £1,719. I would say that £25,000 and £30,000 estates were moderate estates today.

We find that on a £25,000 estate the State tax is £2,500 and the Commonwealth tax is £1,463, making a total of £3,963. Under these proposals the State will take £2,738 and the Commonwealth £1,434, or a total of £4,172. On a £30,000 estate, at present the State takes £3,150 and the Commonwealth £1,976—a total of £5,126. Under the proposal in the Bill, the amount taken will be £5,494 because the State will take £3,750 and the Commonwealth £1,924. If members want to know how steep this will be, and in case any of them have an estate in the vicinity of £100,000, I point out that on an estate of that size the State tax is £17,500 and the Commonwealth tax is £15,263, making a total of £32,763.

Under this proposal the State will take £23,153—an additional £5,500—and the Federal tax will be £13,341, so that whereas a £100,000 estate at present pays £32,763, under this proposal it will be £36,494. I quote these figures only to show that the probate duties are already very high, and now we are to make them considerably higher. The Treasurer would have been well advised to have accepted the scale provided for Federal estate duty. It is much fairer than the present one.

I am glad the Treasurer has agreed not to take the Bill into Committee until Tuesday because I have not had time to point out some of the anomalies that occur because of the proposals outlined in the Bill. These anomalies do not arise under the Commonwealth arrangement. It says here that where the value of the estate does not exceed £10,000 the tax shall be three per cent.; where the value exceeds £10,000 but not £20,000 it shall be 3 per cent. increasing by £.03 per cent. for every complete £100 by which the value exceeds £10,000. This is a much fairer approach than that contained in the Bill.

Despite the Treasurer's remarks in regard to what the Grants Commission had to say about our death duties not being up to the standard of other States, I do not feel I can support the Bill. At the commencement of my remarks I pointed out that the principle did not make any appeal to me. I am wondering how far we have to go in complying with the wishes of the Grants Commission. That commission does not necessarily imply that we should get the additional money through increased death duties. It would be at the option of the Treasurer to get it in some other way, but I do not feel it is for me to offer any opinion on that matter at this stage.

I conclude by saying that the tax is indeed placing a burden upon the people when they already have a sufficient burden to bear in regard to the death duties that are at present imposed. Recently I read a report from New Zealand in which it was stated that the Government there was doing something to decrease death duties. I would think that a country or a State which could do something about decreasing death duties would be doing something to encourage capital to come into that country.

As we know, we urgently required capital in Western Australia. If from time to time, as we seem to be doing, we progressively increase the rate of death duty, we do not offer much incentive to people to come here. From what I can see, there is no guarantee at all that at some future date—probably at some near-future date—there will be further increases in death duties, and those increases will be made because this is a comparatively easy way out for Governments; it does not bring about the amount of discontent and resentment as taxes imposed directly upon everyday goods and services that are used by the people.

Once again, when I take into consideration the heavy burden of taxation in this direction, imposed by both the Federal and the State Governments, and the need to encourage fresh capital into Western Australia I emphasise that I do not feel that I am justified in supporting the second reading of the Bill.

On motion by the Minister for Health, debate adjourned.

ANNUAL ESTIMATES, 1956-57.

Message.

Message from the Lieut.-Governor and Administrator received and read transmitting the Annual Estimates of Revenue and Expenditure for the financial year 1956-57, and recommending appropriation.

FINANCIAL STATEMENT, 1956-57.

In Committee of Supply.

The House resolved into Committee of Supply to consider the Estimates of Revenue and Expenditure for the year ending the 30th June, 1957, Mr. Moir in the Chair.

THE TREASURER (Hon. A. R. G. Hawke—Northam) [5.56]: The financial year that ended on the 30th June last was a difficult one, and this applied to all State Governments. There were many reasons which combined to make the year difficult, the main ones being, probably, rising costs, reduced prices for some of our primary products and a continuation of the bank credit squeeze.

Wool Production and Financial Return.

There was an increase in the total quantity of wool produced in Western Australia because during the year the production amounted to 128 million lb. as against 106 million lb. the previous year. The price of wool declined by approximately £10 per bale in 1956 as against 1955, the comparative figures being £75 6s. 4d. a bale in 1956 and £85 9s. 1d. in 1955.

Fortunately the total income from the sale of wool for the year, 1956, was £30,400,000 as against £29,666,000 for 1955. These figures certainly emphasise the tremendous value of wool to the total economy of Western Australia. It is a good thing indeed that our agricultural areas changed over from mainly growing wheat in the 1930's to mixed farming, on the basis of wool and wheat. If I remember rightly, the main factor in bringing about that change was the 1930-33 economic depression when the farmers in those areas who were depending almost entirely on the sale of wheat for their income found that the policy of putting all their eggs in the one basket, as it were, was a dangerous policy.

Wool production looks like increasing again this year. The first sale for the current series reveals a slight improvement in price. Today the price seems to be firming further, and the only regret we would have in regard to that fact is in the reason which has caused the price to firm, the reason being, of course, the unfortunate international situation.

At present wool is in keen competition with artificial substitutes, and there is a large surplus of cotton available for the world's markets. However, the demand for wool has been maintained solidly throughout the year despite the fact that much scientific effort has been concentrated on the development of substitutes and that some reasonably satisfactory ones have been found.

Wheat.

I am pleased to report a considerable improvement in the immediate outlook for the sale of our wheat overseas. Large quantities have been exported from Western Australia during the last three months. I think in this regard it could fairly be said that the Australian Wheat Board has concentrated much more than previously on the transport of wheat from our storages in the country to the ports of shipment, and has made the necessary shipping arrangements for large quantities of wheat to be sent overseas. The United States of America still carries a large surplus of wheat. The surplus in 1952 was only 256,000,000 bushels but on the 1st July this year is was 1,040,000,000 bushels.

Goldmining.

The production of gold for 1955 was 849,000 fine oz. and for the year 1956 it was 827,000 fine oz. Unfortunately, the Big Bell mine at Cue ceased production in 1955, but the operations of the Great Western Mining Co. in the Yilgarn area, of which Southern Cross is the main centre, have, in some measure, compensated for the loss of production at Big Bell. The total production of gold to the end of August, 1956, was 556,436 fine oz. During its last complete year of production the Big Bell mine produced 55,000 fine oz. of gold; so it will be seen that production during the current calendar year is at a rate which should, before the end of the year, make up completely for the total loss of production at Big Bell.

In the Yilgarn goldfield, as I have already mentioned, Great Western Consolidated N.L., is extending its operations. This company is now operating at Bullfinch, Southern Cross and Nevoria. This extension of effort by the company promises well for the future of the Yilgarn goldfield. Those members who take an interest in goldmining will know that the Yilgarn goldfield has had more than one up and one down; it is a field which has had several ups and downs over the years.

Only a few years ago it was thought that the field had petered out. However, deep drilling operations in various parts of the district have discovered the recurrence of previous gold deposits at depth and the company which I have mentioned is now proceeding, as fast as circumstances will permit, to develop new mines and through that medium to bring about a substantial increase in the production of gold in Western Australia.

Mr. Cornell: Can you confirm or deny that 300 men were stood down at Bullfinch a fortnight ago?

The TREASURER: The Government's drilling programme has been successful in making some good intersection at Edwards Find in the Yilgarn. Very encouraging results have been obtained at Bamboo Creek and Blue Spec on the Pilbara goldfield which, as I think every member will know, is in the North-West. The Great Fingal lode was successfully intersected at depth at Day Dawn in the Murchison goldfield. The extension of the Commonwealth assistance scheme to the goldmining industry for a further term of three years has materially assisted marginal mines and prospectors for gold.

Minerals.

Mining for minerals other than gold has been active. Those which have shown an increase in production and value are beryl, cupreous ore, asbestos, lead and manganese.

Coalmining.

The production of coal for the year was 875,844 tons. The major consumers, as members will know, are the State Electricity Commission and the Railways Commission.

Oil.

The search for oil has been continued actively and the programme of West Australian Petroleum Pty. Ltd. in the search

for oil is still proceeding. Expenditure by this company during the present calender year should reach approximately £3,000,000. I understand that the total expenditure by this company since it commenced operations in Western Australia, at the end of the year will be approximately £13,000,000. The Associated Freney Kimberley Co. is also continuing its exploration programme.

Goldmining Development and North-West.

As I mentioned previously in regard to gold, the deep drilling at the Great Fingal has intercepted an ore body at 3,200 ft. vertical depth and the results have been most encouraging. A deflection wedge has been put in with a view to intercepting the lode again at a higher level. The Bamboo Creek drilling has been very successful and sufficient new ore prospects have been discovered to warrant the assumption that this mining centre, which is situated some 40 miles north-east of Marble Bar, will shortly be in production again on a modern scale.

At the Blue Spec mine, drilling operations have successfully intercepted the lode at a depth of 300 ft. with good values, and further drilling operations to test extensions are to be carried out. I might mention that from time to time we hear a lot about North-West development and the need to increase the population in that part of the State.

It has always been my strong view that the greatest hope we have of considerably increasing the population in the North-West, over a reasonable period of years, is to be found in mineral development, and, if possible, in the discovery of oil. Those members who know anything about the goldmining industry realise that when a reasonable gold deposit is discovered and developed, the population of that district is quickly increased.

Therefore the information which is available to us regarding the success of deep drilling operations in our goldmining areas in North-West centres appears to me to be not only interesting but also very encouragain, and could easily lead to a substantial increase in the total North-West population within the next year or two.

Timber.

The production of sawn timber for 1954-1955 was 225.6 million super feet, and for 1955-1956, 223.7 million super feet. This falling off was in some measure due to the unfortunate destruction by fire of the No. 1 mill at Pemberton, and the decreased demand on account of the slowing down of building projects. Several mills have found it necessary to close down or reduce production through lack of orders. Other mills are stock-piling timber, but there is a limit to which this can be done, as considerable finance is necessary to enable stock-piles to be created.

Bank Credit Squeeze.

There is no doubt but that the bank credit squeeze has played havoc with the building industry. The effect in that direction has been much more marked in Western Australia than in most of the other States of the Commonwealth. It is regrettable that some of the banks have chosen to put their funds into hire purchase companies in preference to putting them into a much solider asset, even if a less profitable one, in the building industry.

Dairying.

The dairying industry has had a somewhat difficult year, but it is pleasing to be able to report, however, that the position has improved a little during recent months. The Government is endeavouring to aid dairy farmers to increase their development and output by improving the substandard dairy farms and by making available funds for the farmers to enable them to clear dead timber from their pasture areas.

This policy should make for better utilisation of the existing pastures. A start with this work will be made during November in the Margaret River and Northcliffe areas. Applications are now being received from settlers in other dairying areas who are desirous of participating in the scheme.

Whaling.

During the year the Commonwealth Government disposed of the whaling station at Carnarvon to the Nor' West Whaling Co. This station was previously operated by the Commonwealth Whaling Commission—and successfully operated, too. The Nor' West Whaling Co. combined an existing licence for the Point Cloates works with the Carnarvon station licence, and this allowed for an intake of 1,000 whales during the season. They were treated at the Babbage Island station at Carnarvon.

At present there are two whaling companies operating in Western Australia, the one I have mentioned and the Cheynes Beach Co. at Albany. Whales have been plentiful along our coastal waters and both companies easily obtained their licensed intake, and also, increases in whale oil due to the whales being bigger and in better condition.

I thought I heard the member for Mt. Marshall laugh and I came to the conclusion that he was thinking about a different type of whaling. The price for whale oil is holding firm at approximately £100 per ton and should be such as to allow the two companies to carry on very successfully. The future of the industry appears reasonably secure on our coast, as under the International Agreement the capture of the hump back whale is restricted in the summer. The hump back whale is the variety which is mainly

treated by the two local companies. Sperm whales are also treated, but they do not count in the licence, and the catch is not restricted for this variety.

Crayfishing.

The crayfishing industry, with headquarters at that important northern town of Geraldton, has continued to be an important feature in the wealth of the State's fisheries. The catch in 1955-1956 amounted to 10.5 million lb., and of this catch, about 35 per cent. was exported. The value of this export trade for the year in question was 3.3 million dollars. This industry is providing employment for approximately 600 men and there are 230 fishing boats engaged.

State's Total Exports and Imports.

The State's total exports and imports reveal the following position:—

	1954-55. £	1955-56. £
Eastern States—		
Imports from	91,044,000	89,900,000
Exports to	24,054,000	34,600,000
Balance in favour of Eastern States	66,990,000	54,300,000
Overseas—		
Exports	72,039,000	81,000,000
Imports	50,406,000	46,500,000
Balance in favour of Western Australia	21,633,000	34,500,000
Net balance against Western Australia	£45,350,000	£19,800,000

The net official figure, in respect of 1955-56, as members might have gathered, is a great improvement over the comparative figure for the previous year. However, most of the improvement is represented more favourably in our overseas trade and by the fact that we have exported from Kwinana a considerable amount of refined petroleum products to Eastern Australia. In regard to our general balance of trade with the Eastern States, apart from petroleum products, there has not been much reduction in the heavy adverse trade balance that we have with the Eastern States.

Unfavourable Trade Balance.

Last year, I drew the attention of members to this unfavourable trade balance and stressed the necessity for improvement. We cannot afford the present flow of imports of general goods into this State from Eastern Australia. It is essential that our export earnings should considerably increase and I am pleased to report that there has been some increase in exports from this State to Eastern Australia, apart from petroleum products, and there are encouraging indications that there will be some new production in this State of an industrial character, most of which will find a market in Eastern Australia.

Local Support for W.A. Products.

I cannot emphasise too greatly the absolute necessity there is for Western Australians, individually, to give the greatest possible support to goods produced in this State. If we could reduce our imports from Eastern Australia by even 25 per cent. it would considerably benefit local industry and be sufficient to solve our existing unemployment problem and, in addition, to create a shortage of labour in this State. A reduction of imports of £25,000,000 would keep that amount of money circulating in this State and would greatly increase confidence in, and also strengthen, our total economy.

Wage-Pegging.

Much has been said for the non-granting of the quarterly cost of living adjustment, but unfortunately those who advocate this course of action oppose vigorously any control over prices and profits. The Government does not agree to a policy which would be as one-sided as that because it would be very unfair to expect one section of the community to have restrictions placed upon it while other sections are allowed to go absolutely free. Every business man should be satisfied with a reasonable profit and every employee should give a fair day's work in return for his wages. I think it is fair to say that the great majority of business men—and I would hope the great majority of workers—do that.

Migration.

Western Australia has been somewhat embarrassed in recent years by the large intake of migrants from overseas. It is certainly necessary for the population of our State to be built up, but it seems that we have been trying to absorb too many migrants in too short a period. It is far better to limit our intake of migrants to a lesser number and thereby save the borrowing of millions of pounds of loan money each year to provide water, light, roads, schools, hospitals and many other requirements. It could be emphasised, too, that our unemployment situation has been made much worse than it would have been by taking into Western Australia many more migrants than the economy could profitably absorb.

Primary production is the State's principal source of wealth; yet, other than in wool production, industries of a primary character have not shown any appreciable increase on prewar effort, despite an increase in our population, during that period, of 200,000 persons. After the 1914-18 war, the migration policy was financed by the British, Australian and Western Australian Governments under tripartite agreement, and thereby much of the development expenditure in regard to the acceptance of migrants into Western Australia was carried by the British and Commonwealth Governments, but that applied also, naturally, to migrants who came from overseas and were accepted into the other States of Australia during that period.

If I remember rightly there was a migration commission in operation in those years known as the British-Australian Migration and Development Commission, but since the last war the intake of

migrants has been promoted by the Federal Government with the State Governments doing all the paying for the provision of water supplies, electric power, schools, hospitals and all the other essentials which have to be provided for these people. Up to the present time Western Australia has been taking a greater number of migrants pro rata than any other State.

Steel Rolling Mill.

During the year the Broken Hill Pty. Co. Ltd. commenced production at its new steel rolling mill situated at Kwinana. It is hoped strongly that this will lead to the actual production of steel in Western Australia. I think members are aware that this company takes iron ore from our North-West coast to Newcastle and to Kembla and produces the steel in New South Wales, following which it is transported to Fremantle and Kwinana and rolled in the new steel rolling mills.

In June of this year the entrance channel to the Broken Hill Pty. Co's. jetty at Kwinana was officially opened for the navigation of ships to the company's works. The channel and the approaches to it were completed without considerable expense to the State and steel shipments are arriving at regular intervals at Kwinana for processing at the local works.

Kwinana Oil Refinery.

Although the oil refinery at Kwinana has not yet reached its maximum production capacity of 3,000,000 tons per year, considerable progress has been made. For the year 1955-56, it received 2,264,000 tons of crude oil brought in by 147 tankers. Refined products totalling 1,462,000 tons were exported from Western Australia by 209 tankers. Recently advice was received from the managing director of the company to the effect that the capacity of the refinery and its operations were to be expanded at an estimated total cost of £3,500,000. This is extremely good news, following as it does soon after the commencing of refining operations by the company at Kwinana.

Savings Bank.

In May of this year the Rural & Industries Bank opened a savings bank department. By the end of August the funds deposited in the new department exceeded £1,000,000 which, in the circumstances, was an exceptionally good result. All members will know that we previously had a State Savings Bank in Western Australia which, during the depression years 25 years ago, was transferred to the Commonwealth Savings Bank. The State Government shared in the net profit of that bank's operations in this State. However, the term of the agreement, which was for 25 years, expired on the 15th August of this year.

Commonwealth and State Finances.

The financial arrangements in connection with uniform taxation are operating very much in favour of the Commonwealth and to the great detriment of the State Governments. The Commonwealth Government had a surplus of revenue for the financial year just concluded of £61,000,000 and the estimated surplus for the current financial year is £109,000,000. It is true that, in that figure of £109,000,000, provision for certain possible and perhaps some probable commitments, has been made. However, the estimated surplus in Commonwealth accounts is still very large. All the States, except Tasmania, had deficits during the same financial year and the deficits of the States amounted to £15,000,000 in the aggregate.

It is interesting to know also that the Commonwealth Government finances its own capital works out of revenue. On the other hand, the States are required to use loan moneys, some of which are provided by the Commonwealth Government out of its revenues. In other words, the Commonwealth Government imposes taxation upon the people of Australia—gets the money for nothing, as it were—and then parcels some of it out to the States on a loan basis, charging the States concerned interest on the money and, of course, placing upon the States the legal necessity to pay the money back over a period of years. I should say that that is a very profitable type of business for the Commonwealth Government and a very expensive sort of business for the State Governments.

Hon. Sir Ross McLarty: The Commonwealth Government does not seem to chase it very much.

The TREASURER: If the Leader of the Opposition is suggesting that the Commonwealth Government does not go very keenly after taxation—

Hon. Sir Ross McLarty: I am not saying that.

The TREASURER: What is the Leader of the Opposition saying?

Hon. Sir Ross McLarty: The Commonwealth Government is not keen about providing that money at a rate of interest.

The TREASURER: If the Leader of the Opposition had the position thoroughly investigated he would find that the Commonwealth Government, over recent years, has made a considerable amount of tax-free revenue available to the States on a loan basis.

Hon. Sir Ross McLarty: It has.

Australia's Economic Position.

The TREASURER: The national income of Australia has materially altered since uniform taxation first became operative in 1942 when in that year it amounted to only £1,075,000,000. In 1955-56 it jumped to £4,312,000,000. The States have received

little or no benefit from this big jump in the national income as the lucrative sources of taxation and easy revenue remain with the Commonwealth Government.

I will now quote from a table showing the income tax collections since 1938 and their distribution. I want to quote only the figures relating to the Commonwealth, Western Australia and the total of the States. I hope that the complete table will be included in Hansard. It provides information in addition to that which I shall quote, relating to the other five States—

	1938.	1941.	1942.	1949.	1956.
	£	£	£	£	£
Commonwealth	9,398,503	43,305,239	77,563,926	272,347,000	573,990,000
New South Wales	13,330,000	16,696,407	16,935,928	21,878,947	61,340,000
Victoria	5,911,398	6,594,663	7,188,184	12,027,220	39,470,000
Queensland	5,652,438	6,256,282	6,193,598	8,812,744	24,650,000
South Australia	2,032,784	2,476,119	2,818,846	4,622,447	13,880,000
Western Australia	2,084,559	2,628,420	2,624,129	4,481,684	12,310,000
Tasmania	743,120	808,018	1,108,847	1,664,750	5,350,000
Total of States	29,754,299	35,459,909	36,869,532	53,487,792	157,000,000

I do not expect members to absorb these figures as they have been read by me, but I am sure they will find that a study of the table, which will go into Hansard, will be tremendously interesting. The figures show clearly and starkly the impossible position in which the States are placed in regard to their revenue funds.

Income Tax and Distribution.

For this year the Commonwealth Government estimates to collect revenue amounting to £1,230,000,000 of which £574,000,000 will come from income tax. Out of that astronomical sum, only £174,000,000 will be made available to the States, with the net result that the States are left with few avenues from which to secure other necessary income.

This uneven distribution of income tax is crippling the finances of the States, especially when one considers the population of Australia has increased since the war ended by over 2,000,000 people. This great increase in population gives a bigger taxation field for revenue to the Commonwealth and a bigger field for expenditure by the States to supply the needs of the people.

Commonwealth Special Aid.

At the last Premiers' conference I stressed that Western Australia needs at least an additional £2,000,000 of taxation reimbursement so as to enable our State to get somewhere near a balanced budget. It is essential, if the States are to function efficiently, for an early review to be made of the formula under which income tax receipts are distributed as between the Commonwealth and the States. There is no doubt about the present financial position as between the States and the Commonwealth. Financial unformity is very much under way in Australia at present and is increasing every day. Financial uniformity can be very harsh indeed and can pave the way completely for the easy achievement of total unification in other directions.

Financial Transactions for the Year.

The operations of the State Government in 1955-56 resulted in a deficit of £1,831,000. Revenue amounted to £49,612,000, an excess of £320,000 over the estimate made when the Budget was introduced. Expenditure of £51,443,000 exceeded the estimate by £1,697,000. The estimated deficit anticipated in the Budget was only £454,000. Members will readily realise how difficult the financial affairs of the State were in view of the developments which took place subsequently.

Revenue.

The main sources of the State's revenue for the last financial year and the percentage each source represents of the total are—

Revenue.	Amount.	Percentage of Total.
	£	
Commonwealth Income Tax Reimbursement	12,313,308	24·8
State Taxation	4,017,938	8·1
Commonwealth Grant	8,900,000	18·0
Railways	13,052,461	26·3
All Water Supplies	2,685,263	5·4
Other Departments	8,643,436	17·4
Total	£49,612,406	100·0

The percentage received from the Commonwealth still exceeds 40 per cent. of the total. However, for the last year compared with the previous year, the income tax reimbursement represented a smaller percentage of our total revenue. The special grant increased from 15.5 per cent. to 18 per cent. of our total revenue.

More than £300,000 of the increased revenue over the estimate came from the Railways Department. This was due largely to improvements in the overseas marketing of wheat necessitating large movements of wheat from the inland storages to the ports.

Departmental Revenue Returns.

Law courts exceeded the estimate by £36,000. I am not sure whether it is a good or bad sign. Excess revenue received from the Government Printing Office was £26,000, from the Agriculture Department £10,000, and from Treasury Miscellaneous revenue £113,000.

Against this higher revenue, there were offsets of reduced revenue of £30,000 from the Public Works Department, £18,000 from the Educational Department, and £24,000 from the Forests Department. Revenue from the Royal Mint was £12,000 more than the estimate. I hope that in the debate on the departmental estimates, I may have the opportunity of giving some information about the Royal Mint. This will be of interest to members. Profits of the trading concerns, mainly the State Engineering Works, exceeded the estimate by £12,000.

Taxation Revenue.

Due to later adjustment in the formula for distribution, income tax reimbursement realised £22,000 less than anticipated. State taxation, mainly stamp duty and probate, produced £70,000 less than the expected amount. Land revenue was down by £96,000 under the heading of Territorial Revenue Items. Timber revenue was up by £54,000.

Expenditure.

The expenditure last year amounted to £51,443,000, an increase of £1,697,000 on the estimate. The main items making up this total expenditure and the percentages they represent of that total expenditure were—

Expenditure.	Amount. £	Percentage of Total.
Interest and Sinking Fund	7,725,391	15·0
Education	6,168,597	12·0
Police	1,386,164	2·7
Medical and Health	4,979,840	9·7
Water Supplies, excluding Interest and Sinking Fund	2,369,959	4·6
Railways	15,705,820	30·5
Other Expenditure	13,107,466	25·5
Total	£51,443,237	100·0

The railways expenditure of £15,706,000 as usual exceeded the estimate by a sizeable amount of £55,000. Excess expenditure of this magnitude is regrettable but under the circumstances it was unavoidable. I hope that is not true about the whole of it.

Expenditure under special Acts exceeded the estimate by £333,000, the main items being increased parliamentary allowance of £63,000, an excess on forestry revenue transferred to the reforestation fund of £63,000, and assistance to the University showing an excess of £210,000. However, this last item was due in a large measure to a change in the accounting procedure.

The expenditure of the Education Department exceeded the estimate by £251,000, and that of the medical and health services by £226,000. Expenditure in the North-West proved to be £165,000 higher than was anticipated. Water supplies exceeded the estimate by £85,000. Public Works expenditure amounted to £80,000 less than the amount provided. The Forests Department also cost £33,000 less.

Treasury Miscellaneous Services amounted to £346,000 less than the estimate which was due to the provision of £450,000 on the estimates to cover costs of basic wage increases against which no actual expenditure was incurred. Expenditure by way of grants and subsidies was higher by £100,000.

Estimates for 1956-57.

The estimates for the year recently closed as compared with this financial year, reveal the following:—

	1955-56. £	1956-57. £	Increase. £
Expenditure	51,443,000	54,890,000	3,446,000
Revenue	49,612,000	53,484,000	3,872,000
Deficit	£1,831,000	£1,406,000	

Anticipated Increased Revenue.

The revenue of £53,484,000 estimated for 1956-57 is an increase of £3,872,000 over the last financial year. The principal avenues where this revenue is to be obtained are under the heading of taxation. This will be raised from the following sources—land tax; income tax; probate duty, turnover tax; licences, liquor and other. Stamp duty will show an decrease of £61,000 due to less real estate sales and other commercial business going through the office.

Uniform Taxation Reimbursements Formula.

I have already explained the need for additional revenue and the disability which the States suffer under the present distribution of uniform taxation income. The increase in income tax reimbursements of £1,327,000 granted under the formula for the current financial year is far from equitable in view of the great amount of income tax raised and retained by the Commonwealth Government.

At the last Premiers' conference, all the Premiers objected to a distribution which enables the Commonwealth to finish each year with a very large surplus—which is estimated this year to be over £100,000,000—while the States are all compelled to finish with deficits.

Mr. Court: Haven't they incurred the wrath of the people by raising that money deliberately to give it to the States to make up their loan moneys?

The TREASURER: I am not in a position to say with authority whether the members of the Commonwealth Government have chosen deliberately to impose heavy taxation. But I am in a position to deny that they have given the increased taxation to the States.

Mr. Court: I did not say "given" it, but that they made it available.

The TREASURER: They have not made it available.

Mr. Court: They have underwritten certain loan moneys.

The TREASURER: They have underwritten some; but not by any stretch of the imagination can it be claimed that they have made available to States all the additional taxation raised.

Mr. Court: If they had not raised their March budget, you would not have had enough money to carry on for the rest of the year.

The TREASURER: I will point out to the hon. member, and I hope he will give the fact some consideration before debating the Estimates, that the estimated Commonwealth surplus for the current year is over £100,000,000.

Territorial Revenue Returns.

Land tax revenue will increase by £470,000, due to the introduction of universal land tax in this State. It is estimated that probate duty will increase by £118,000 on account of the amendment of the Act proposed in the Bill now before the House.

Land, timber and mining come under the heading of "Territorial" and these departments are expected to earn £1,175,000, a decrease on the collections of last year of £74,000. This is due to a reduction of activity in the timber and saw-milling industry. I made reference to that earlier and pointed out that slackness in the building trade had brought that situation into being. Law courts, fines, etc., will earn £290,000, which is approximately the same amount of revenue as that collected last year.

Departmental Revenue Estimates.

Departmental revenue is expected to reach £5,911,000, an increase of £1,022,000. The departments mainly concerned, and their increased earnings, are as follows:—

Department	£
Crown Law	19,000
Harbour and Light	27,000
Lands and Surveys	10,000
Land Titles Office	22,000
Printing Office	10,000
Treasury	862,000
Tuberculosis Recoups	70,000

The increase in Treasury Miscellaneous revenue is caused by the inclusion of the payment from the Fremantle Harbour Trust instead of its being shown separately in the Estimates. The Harbour Trust contribution is expected to be £190,000. The State Electricity Commission will make an increased payment of £173,000, being interest on additional moneys made available under the State loan programme; and trading concerns will pay £226,000. Much of this will be associated with the new ship "Koojarra". Additional sinking fund moneys of £121,000 are expected from public utilities and trading concerns. The profits from the latter are expected to reach £95,000.

Grants from Commonwealth.

The Commonwealth grant under Section 96 of the Constitution will amount to £9,200,000 this year, an increase of £300,000 on the previous year. I would like to place on record here my appreciation of the thorough way in which the Grants Commission investigates the revenue, expenditure and other activities of our State—and no doubt the other two claimant States—and the fair manner in which it reaches its conclusions after examination of financial statements and the various departmental officers who appear before it.

Public Utilities.

Public utilities will contribute £18,058,000 to the Consolidated Revenue Fund, an estimated increase of £1,074,000 on last year's figures. The main increased revenue will come from: Metropolitan Water Supply —£94,000. This is due to extensions of the water supply and sewerage services throughout the metropolitan area. The Railway Department is expected to earn £13,827,000, an increase of £775,000 above the previous year. Trams and buses are expected to earn £1,130,000, an increase of £179,000.

Expenditure, 1956-57.

The expenditure on the revenue fund side is estimated to be £54,890,000, an increase of £3,446,000 over that of 1955-56. The principal headings under which this expenditure is to be incurred are as follows:—

Special Acts.

The expenditure will be £10,816,000, an increase over last year of £711,000. The cause of this increase is that interest and sinking fund have risen by an amount of £757,000 for the year. Each £1,000,000 of loan borrowings incurs each year an additional charge of £55,000 on the revenue for interest and sinking fund payable for a period of 53 years before the loan is extinguished. It is essential, therefore, that our loan fund expenditure should, wherever possible be expended on works that are reproductive; that is, works which will earn revenue to pay the interest and sinking fund.

In theory that is really good; it sounds most acceptable. But members opposite who were Ministers in the previous Government will know that the theory gets knocked to pieces in practice. From the financial point of view, members of a Government would naturally much prefer to expend their money on public works which would return interest and sinking fund. But when they find that they are 1,000 classrooms and perhaps 1,000 hospital beds short, the theory has to be pushed aside and they have to get down to real practical affairs.

They must meet the urgent requirements of the community in regard to education and health; and, consequently, a considerable proportion of loan funds has to be expended on the construction of classrooms and schools and hospitals and additions to existing hospitals. As a result of all that, not only do the interest bill and sinking fund payments go up, but the income that should be received to meet the higher expenditure is not available.

Premier and Treasurer's Department.

In this department, expenditure is expected to reach £3,260,000, an increase of £615,000 over last year. This increase is caused by basic wage increases and an allowance of an unallocated sum of £207,000 to be later spread over departments.

An increased grant of £25,000 is provided for the Library Board. The university's grant will increase by £83,000. Concessional rail freights on export grain stored at depots will increase to £157,000, and interest and exchange not provided for in special Acts will increase by £46,000.

Payroll Tax.

Payroll tax shows an increase of £29,000. Expenditure under this heading last year amounted to £251,459, and the estimated expenditure this year is £280,000. This represents the amount of payroll tax which is a charge on Consolidated Revenue through Treasury Miscellaneous Services. In addition, payroll tax amounting to £756,000 is paid by public utilities, hospitals, trading concerns, General Loan Fund and departments not financed from the Revenue Fund. The total payroll tax payable by the State Government is estimated to be approximately £1,036,000 for the current financial year. Recoup of losses for State Brick Works and State Saw Mills will show an increase of £24,000.

An amount of £98,000 is shown for transfer from Consolidated Revenue Fund towards the deficit of 1954-55. This amount is included in the grant received from the Grants Commission this financial year and is shown in the revenue receipts.

Child Welfare and Education.

The estimated expenditure of £428,000 will be an increase of £77,000 over the previous year, caused mainly by the increased costs and contributions in support of various institutional homes and payment for upkeep of children with foster parents.

The Education Department will cost the State £6,485,000, an increase of £317,000.

Lands and Agriculture.

These departments are expected to cost £1,512,000, or an increase of £212,000 over that of the previous year. The Department of Agriculture will cost £740,000; and the Lands and Surveys Department, £677,000.

Excellent work is being done for rural industry by the Department of Agriculture, and the advances made in research work by departmental officers have helped considerably to improve the lot of our primary producing industries. Although some members may claim that the department has not expanded quickly enough, I feel sure it will be agreed that an expenditure of practically £750,000 is quite a worthwhile effort by the Government.

Police, Medical and Health Departments.

The cost of the Police Department will be £1,441,000, an increase of £55,000 over last year, caused mainly by the increase in administration costs and wages and salaries.

The Medical and Health Departments are estimated to require £5,678,000, an increase of £345,000. This increase is due to the general rise in all costs of wages and salaries and administration services applicable to hospitals and departmental institutions. Nevertheless, the expenditure of over £5,500,000 on medical and other benefits is very heavy indeed for a population the size of ours.

Department of the North-West.

This department will cost £2,134,000, which is £255,000 more than the previous year. Much of this increase will be caused by the addition of the new ship to the service. There is a general increase in expenditure by all sections of the departments operating in the North, but the principal increases are caused by the State Shipping Service £140,000; Public Works Department maintenance of buildings and jetties an increase of £35,000 and the maintenance and upkeep of natives £40,000.

Public Utilities.

Public utilities show an estimated expenditure of £20,173,000, or an increase of £625,000 over the previous year. The principal items of expenditure under this heading will be country areas water supply, which includes the Goldfields water supply and water supplies in other country areas, £1,853,000 or an increase of £165,000 on last year, due mainly to increased maintenance and pumping costs.

Railways.

The railways are expected to cost the State £16,145,000, exclusive of any charge for interest. This expenditure will be an increase of £439,000 over last year, caused by increased wages and maintenance costs. As stated earlier, the earnings of the railways will be £13,827,000, which, in the final result shows an operating loss of £2,318,000. If interest on the capital debt of the railways is added to the operating loss the deficit will be approximately £5,000,000 for the current financial year.

Railways Deficit.

Although the railway system is still partly developmental, I think all members will agree that this deficit is colossal and one which has to be met either by increased charges for services rendered by the Railway Department or by alternative methods.

Members are already aware of some of the proposals which the Government has developed in connection with the railway system as a whole. Other steps are taken, where it is practicable to take them, to keep expenditure down and to make the railway system more economic in operation.

Further Economies.

Apart from the Railway Department, other economies are being initiated in several Government departments in order to reduce expenditure wherever it is possible to do so without damaging the essential services which the State has to render to the community. I am hopeful that those who continually advocate economies will not, as soon as the economies start to take effect, bring deputations to the Treasurer urging him not to put these economies into operation or, if they have already been implemented, to have them abolished in order that the people who might be hurt a bit in the process might have the burden taken from their shoulders. In the present serious financial position of the State, it is not possible for the persons who advocate economies to somersault, when they are applied, and urge that they be abandoned.

Hon. Sir Ross McLarty: Will you tell us how you propose to get this increased land tax of £470,000?

The TREASURER: I have not mentioned any sum in my speech and will be very pleased to make available to the Leader of the Opposition all the information which he may require in connection with the subject, when I am introducing the Bill and explaining its provisions to members. I hope the Leader of the Opposition, on looking at the proposal as it will then be presented, will not take too much into account his personal situation but will rather take the broad statesmanlike point of view, and do the right thing in connection with the Bill.

Hon. A. F. Watts: If he is a statesman, he will not support it.

The TREASURER: That may be, but I want to make it clear at this stage that it is essential that additional revenue be obtained.

Hon. Sir Ross McLarty: It is a tax on improved agricultural land.

The TREASURER: The Leader of the Opposition can, at this stage, have it whichever way he pleases.

Hon. Sir Ross McLarty: Surely you can tell us!

The TREASURER: I would not like to say anything to make the Leader of the Opposition unhappy. He is in a nice playful mood at present, and as it is near to dinnertime I want him to remain in that mood, at least until after dinner.

Necessity for Taxation Measures.

What I am pointing out is that members cannot expect to oppose the taxation proposals which the Government introduces, possibly have them defeated in another place, and expect the situation to rest there. Members opposite have a far greater responsibility than that in regard to the present situation, and I say, without hesitation or qualification, that if Parliament denies the Government the additional revenues which it will seek by way of Bills, some of which have already been introduced and others of which have yet to come forward, it will force the Government into a position where it will have to increase taxation—if one cares to call it that—or charges by the only other means left available to it.

If members in this House or another place—the Opposition is in a majority there—want a severe increase in railway freights and fares and force the Government into a position where it has no alternative, it will obviously have to act in that direction. So before members opposite, including the Leader of the Opposition, make up their minds that they are going to oppose the Government's proposals for obtaining increased revenue, I sincerely hope and trust they will give very serious thought to the whole situation.

Mr. Ackland: What about the Government giving some thought to economies in administration?

The TREASURER: I have already dealt with that question and have appealed to the member for Moore, in common with other members opposite who all the time advocate and preach economies, not to bring deputations to the Treasurer, when the economies begin to take effect, pleading with him to abandon the moves that have been undertaken.

Conclusion.

In conclusion, I desire to express appreciation on behalf of the Government—and I hope on behalf of all members and the public—to the officers of the Treasury, for the conscientious service which they have given to the financial affairs of the State from year to year. Those officers have had a tough period over the last year or two, and I am not sure whether they have combined to hold me up during the more recent months, whether I have combined to hold them up, or whether we have mutually leaned on each other and have all managed to keep standing somehow.

Mr. Ross Hutchinson: You seem to have got a bit tangled up in the process.

The TREASURER: I will not accept the judgment of the hon. member on that point until he has proved himself an authority on the subject. Does he mean physically tangled up?

Mr. Ross Hutchinson: Yes.

The TREASURER: I have pleasure in moving the first division of the Estimates, namely—

Vote—Legislative Council, £9,550.

Progress reported.

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

Second Reading.

Debate resumed from the 6th November.

MR. COURT (Nedlands) [6.12]: I intend to be brief, as I do not want to go over the ground already covered by the member for Vasse. He gave notice, during his speech, of his intention to move certain amendments when the Bill is in Committee and I understand it is the Minister's intention to give consideration to them at that stage—possibly next week.

There are three small matters upon which I would like the Minister to comment when replying to the debate. I would like him to clarify to the House whether the Rural & Industries Bank—I do not refer specifically to the savings bank division, which has been set up—is subject to the same statutory requirements as are the trading banks, for lodging statutory deposits with Commonwealth Bank, or whether some other procedure is adopted within the Rural & Industries Bank's policy to achieve that result.

Next, could he indicate to the House whether the Government lays down to the bank or whether the commissioners adopt of their own volition, certain liquidity ratios. By that I mean, the ratio of their Commonwealth bonds, Treasury bills and cash to deposits held. Also, what percentage of advances is aimed at as against the deposits held by the bank? I realise that this is a State Government bank and that as such, of course, it would not come under the normal requirements of a trading bank.

However, as a matter of prudent banking policy, no doubt the Government has laid down some directive for the commissioners to follow, or, alternatively, they have submitted to the Government a policy which they propose to work to and which has been approved by the Government.

The Minister for Lands: What was the last one?

Mr. COURT: The percentage of advances made by the bank as against the deposits held. I do not expect the ratio for this bank to be in keeping with that observed by the ordinary trading banks because of the special type of business which it undertakes. However, in view of the fact that this Bill deals with the general activities of that bank, as well as the creation of a savings bank division, I think it is pertinent at this stage to examine that position.

Sitting suspended from 6.15 to 7.30 p.m.

[73]

Mr. COURT: I have one further query to raise with the Minister before I conclude this brief second reading speech on the Bill. I would like the Minister to indicate to us when he replies what the policy of the Government is regarding the conduct of its savings bank division. Is it the intention of the Government that the savings bank division will be run strictly in accordance with the pattern laid down for the conduct of savings banks in Australia? As the Minister knows there is an authority or charter granted by the Commonwealth to recently authorised savings banks setting out the charter under which they will operate, the conditions of which are, rightly so, very severe, with strictly defined limits within which they can function.

Is it the intention of the Government that the savings bank division of the Rural and Industries Bank will conform to that pattern, or will there be some further latitude allowed? This is relevant to some of the amendments which the member for Vasse has placed on the notice paper and which he has asked me to handle in his absence at the appropriate time. It would help us in our approach to those amendments if the Minister could indicate the Government's policy towards this proposed new division of the bank. I support the second reading of the Bill.

MR. JOHNSON (Leederville) [7.34]: I feel it is appropriate that I should say a few words on this measure, as it will be remembered that at the time of the granting of charters to savings banks, subsidiary to private banks, I raised some objection to it. As a result of the agreement that occurred when our State Savings Bank was taken over by the Commonwealth we in this State have been in receipt of certain moneys which represented a proportion of the profits of the Commonwealth Savings Bank in Western Australia. As a result of Federal action, and I think undoubtedly as monetary reward for political services granted to the present Federal Government, the private banks were given charters for the savings banks and we in Western Australia were definitely placed at a disadvantage.

There can be no doubt that as a result of the granting of charters to private trading banks enabling them to conduct savings banks, the volume of money which was available to the State Treasury was definitely reduced. Accordingly, I wholeheartedly support the proposition that the State itself should enter into the field of savings bank work.

Besides the proportion of profit that the State Treasury acquires and applies to revenue, there was, under the agreement with the Commonwealth Bank, the right to certain funds which were known as instalment stocks. These funds represented a proportion of the increase in deposits of the Commonwealth Savings

Banks in this State, and were made available to the Treasury at a particularly attractive rate of interest, becoming part of our total loan allocation each year under the Loan Council.

As a result of losing that money, which undoubtedly we have because of the increase in private savings banks, it will be found that there is very little increase in the volume of savings bank deposits. We have had to get that extra money out of ordinary loan funds. It has not reduced the amount available but it has increased very considerably the volume of interest we have had to pay and which we have had to find out of revenue. These points are of considerable importance.

It must be realised that when extra savings banks enter the field of savings bank work, they must automatically impinge in some degree upon the available sources of the supply of funds. Some of the funds which normally would have accrued to the Commonwealth Savings Bank have gone into private savings banks. There has also been an increase in the total amount of funds that has gone into savings banks—taking savings banks as a group—and that increase has been quite largely at the expense of amounts already on deposit in the private banks concerned.

So the total of deposits available in the whole banking system has not been materially increased. There has been one particular advantage to be gained from the competition which has entered the savings bank field, and that is that as a result of the competition there is a great supply of savings bank agencies of various kinds being established in all the districts with the relative encouragement for people to make use of savings bank accounts in preference to keeping their money in an old sock. The total volume relative thereto is not great.

To deal with the funds that become available to the savings banks division of the Rural & Industries Bank, it would be appropriate if those funds were made available to the State Treasury in the same manner as funds were previously made available from the Commonwealth Savings Bank under the agreement which has now expired. So I feel that a responsible attitude towards the investment of savings bank deposits in the Rural & Industries Bank would be strongly to suggest that at least a large proportion of those deposits should be made available as loan funds for Government works. It will be noted that in the provisions of the Bill before us that facility is available.

I presume that, as a matter of accounting, the State Government would have to pay the Rural & Industries Bank the normal Government interest rate instead of the special rates which the State received under the agreement when the State bank was taken over. That would be good banking. For the information of the member for Nedlands, who should have known this, I will read an excerpt from the Constitution of the Commonwealth; Part V., with the powers of the Commonwealth Parliament. Among other things Section 51 states—

> The Parliament shall, subject to this Constitution, have power to make laws for the peace, order, and good government of the Commonwealth with respect to . . . .

Placitum (XIII) of that section reads—

> Banking, other than State banking; also State banking extending beyond the limits of the State concerned, the incorporation of banks, and the issue of paper money.

So under no circumstances can the Rural & Industries Savings Bank be directly subject to Commonwealth law; where the State decides to comply with the contents of the Commonwealth law, it will do so of its own free will, and whether it wishes it or not, in no circumstances can it be responsible to the Commonwealth Act or come under the control of the Commonwealth Government.

Mr. Court: That was my point with the Minister. I know the constitutional position. I merely wanted to know whether the Government was going to conform to the overall pattern in so far as the Savings Bank division of the Rural & Industries Bank was concerned.

Mr. JOHNSON: The member for Nedlands should have been more explicit in what he said.

Mr. Court: I think the Minister understood.

Mr. JOHNSON: Possibly he has a higher opinion of the hon. member's intelligence. In relation to that the point, which I think is a good deal evident, is that the actual provisions of the Bill before us are in the main those that exist in the Commonwealth Act; and I would like to indicate at this stage that I see no good purpose in supporting any of the amendments which are at present on the notice paper. When they are dealt with in Committee, I shall vote against them.

THE MINISTER FOR LANDS (Hon. E. K. Hoar—Warren—in reply) [7.45]: The member for Leederville has set the case out and the general powers of the Rural & Industries Bank in a clear way and has covered the situation in general terms. At no time has our State bank been subjected to any type of domination or pressure—nor could it be allowed—by the Commonwealth Bank. The question is just how far the States bank is prepared to go

to fit into the general pattern of banking which is brought about as a result of Commonwealth policy.

I think I should say at the outset, that whilst the State enjoys complete freedom as mentioned by the member for Leederville—I think in banking parlance "serenity" is the word—nevertheless it has agreed to conform in principle, at any rate, to the conditions which have been laid down by the Commonwealth Bank and also the Commonwealth Treasurer and have been incorporated in the statutory authority which has been issued to the associated banks, particularly in regard to the general policy of the savings bank section, which is the subject of this Bill.

The division of funds, which is an item of interest to the member for Nedlands as well as others, follows generally this pattern which, I think, is also that adopted by banking institutions generally. So far as the Rural & Industries Bank is concerned, 42½ per cent. of its funds are invested, and will continue to be invested, in Government bonds; 20 per cent, is invested in housing loans, and the semi-Government authorities get 17½ per cent. The balance, which is 20 per cent., is the liquid money available for normal everyday operation of our State bank.

Mr. Court: Are you referring to the savings bank division?

The MINISTER FOR LANDS: The savings bank is the subject of this Bill, and I understand the hon. member wanted to know how that would be fitted into the general structure in regard to the other banks. I should say that it is not the intention of the State bank to endeavour to gain any unfair advantage—if we like to put it that way—over the other private banks because of the need in this State to make everyone conform as far as possible to a general banking policy. But, at the same time, and particularly after reading the amendment on the notice paper in the name of the member for Vasse, I feel if they are allowed to pass through this Chamber, they will have a most restrictive influence on the activities of our State bank.

One or two of them would to a considerable extent interfere with the freedom which is now the State's right, and I am quite certain that I would not be one to take any step at all which would surrender that freedom to any other authority. Therefore, there will be, in the Committee stages, an opportunity for us to discuss these matters in closer detail. I have not the details with me tonight as I am still giving the matter a good deal of careful consideration, but at first glance and on looking through the Bill a few moments ago, I think at least two of the amendments would be very dangerous if accepted by Parliament.

The position as I see it, since the establishment of our savings bank section, is that we have formulated a policy which at the present time hardly varies at all—if it does vary at all—from the policy laid down and adopted by the Commonwealth Government through the Commonwealth Bank in the form of conditions to all private institutions. That is the situation which now exists.

Question put and passed.

Bill read a second time.

AUDITOR GENERAL'S REPORT, 1955-56.

The SPEAKER: I have received from the Auditor General a copy of his report on the Treasurer's statement of the Public Accounts for the financial year ended the 30th June, 1956. It will be laid on the Table of the House.

BILL—FRUIT GROWING INDUSTRY (TRUST FUND) ACT AMENDMENT.

Second Reading.

Debate resumed from the 1st November.

MR. OWEN (Darling Range) [7.51]: This Bill, as explained by the Minister, is a very small amendment to the Fruit Growing Industry (Trust Fund) Act, but as it seeks to increase the potential levy by 300 per cent., I feel I should give a little account of the history of the Act to the House which was not explained by the Minister.

The original Act, which this Bill seeks to amend, passed through Parliament in 1941 and was introduced at the request of growers themselves in order to build up a fund to help them in the fruit growing industry by making payments to those who were penalised by their efforts in eradicating disease. It is true that prior to that time there was an export levy which was voluntary. I think the amount contributed for many years was one-eighth of a penny per case, but it was only contributed by export growers and was not a general fund for the industry as a whole.

In 1939 and 1940 the apple industry suffered quite a lot because of an outbreak of black spot and the leaders in the industry felt that growers should be helped wherever possible in regard to the losses they suffered in attempting to eradicate that disease. Also they felt that if growers knew that they could get compensation in some small measure for any losses, they would be encouraged to report such diseases so that they could be tackled at an early stage in their development, when their chance of eradication would be much better.

So the levy began in 1941. The purposes for which the fund were to be applied are set out in Section 18 of the Fruit Growing Industry (Trust Fund) Act and are as follows:—

(a) the payment of the whole or portion of the costs and expenses of measures taken to prevent or eradicate pests and diseases affecting fruit trees and the fruit thereof;

(b) the payment of compensation to growers in respect of the whole or portion of losses suffered by them as the result of measures taken to prevent or eradicate the pests and diseases aforesaid;

(c) the payment of the costs of the promotion and encouragement of scientific research for the improvement of fruit crops and of the transport of such crops;

(d) the provision of financial help for the Association and its branches in the carrying out of its activities for the benefit of growers.

Provided that such financial help should only be granted when recommended by the Committee and approved by the Minister; and

(e) any other purposes which, in the opinion of the Minister, will promote and encourage the fruit growing industry.

The reasons for this fund were very worthy. Originally the levy, which was limited to ½d. per case, was applied only to apples and pears. At that time there had been no need for a levy to be made on other varieties. When the fund was commenced later on it was felt by the citrus section of the fruit industry that such a fund, if it did apply, would be beneficial. Therefore, by regulation, it was applied to citrus fruits at the rate of ½d. per bushel. Later on again the stonefruit section of the industry wished to be included in the trust fund, and again the levy as prescribed in the Act was applied to stonefruit and limited to ½d. per bushel.

During the latter part of the 1940's and early in 1950 an outbreak of codlin moth occurred in the Collie area, and a fairly general outbreak of black spot in various apple and pear growing districts of the State made such inroads into the accumulated funds, it was desired to increase the levy and the amendment to the Act of 1951 allowed the levy to be increased to 1d. per bushel. During the outbreak of codlin moth—I refer particularly to the one at Collie, which was in backyard areas of that town—many growers had their trees sprayed, and because the codlin moth pupated in old fences and in some cases, backyard buildings such as washhouses, quite a lot of money was paid out by way of compensation to residents in the Collie area to make up for the loss they sustained by having fences and, in some cases, buildings destroyed.

When the levy was increased to 1d. per bushel, the fund commenced to increase again, and in spite of another outbreak of codlin moth in the Mullalyup and Nannup areas, as a result of which the fund was called upon to a considerable degree, it was maintained in a fairly healthy state. Considerable reserves were left. By that Act, the maximum allowed to be collected was 1d. and it applied only to apples and pears.

Several years ago when there was an outbreak of a new disease—that is, the Oriental fruit moth which attacks stone fruits to a greater extent than it does apples and pears—stonefruit growers, through their committee, felt they should help pay their way. Their funds were fairly low, so it was agreed that the levy on stonefruits should be increased by regulation to 1d. per bushel. That was done and the fruit industry trust fund made payments to the Government to help them eradicate that outbreak of Oriental fruit moth. I think they paid something approaching £1,000 during that particular season. The citrus section of the fund allowed the levy to remain at ½d., which is still the case.

At the 30th June last the Fruitgrowing Industry Trust Fund had been built up to a total of £30,491 18s. 7d. made up as follows:—

	£	s.	d.
Apple and pear section	22,523	17	11
Citrus section	5,114	1	11
Stonefruit section	2,853	18	9

This would normally be considered to be quite a satisfactory state of affairs, but towards the end of the last apple season another outbreak of codlin moth was reported in the Bridgetown district. This was the 17th outbreak in the history of the State. As the other 16 had been successfully eradicated, Western Australia was in the happy position of being one of the very few commercial areas, if not the only one in the world, which was not affected by either codlin moth or black spot. This is a great credit to the growers for the co-operation and help they have given to the Government and in the way of providing funds to eradicate pests, and also it is a great credit to the officers of the Department of Agriculture for their vigilance and their prompt and effective action.

The present outbreak is much more widespread—I will not say it is more intensified—than some of the other outbreaks because it occurs in almost the centre of the Bridgetown apple-growing district, and apparently it had been there for one or

two seasons before it was discovered. It had been carried, apparently, by means of picking boxes to one of the central packing sheds and then those boxes had been sent to other growers so that the infestation spread to them. So far as is known the several orchards affected have brought about a quarantine area—the area within a radius of approximately one mile outside the affected orchards is quarantined—of about 1,400 acres of apples and pears, which is quite a big proportion of the apple and pear orchards in the district. Besides that, there is the possibility that it may have got into orchards outside that area.

Before the close of the season it was not possible to make thorough checks of all the orchards, so, although it is hoped that the area has been surrounded, there is the possibility that there are some orchards outside. In the area mentioned it will be necessary to take steps to eradicate the disease, and the measures necessary for this are severe. The trees must be sprayed seven times from late October until early in the New Year. In addition, the trunks of the trees must be bandaged—a piece of hessian or bagging is tied around the trees to act as a trap for any codlin moth grubs.

Mr. Nalder: Is it soaked or treated at all?

Mr. OWEN: No, because in this State we aim at eradication. We inspect these bandages. We do not have them chemically treated as they are in some of the other States where, as merely a control measure, they are treated in order to destroy the grubs. In this State we do not rely on that treatment because it may not be 100 per cent. effective. The bandages are inspected for the purpose of seeing that the grubs are definitely killed, and also to see that there are none in what we might term the marginal areas.

Mr. Nalder: Will not a grub crawl over the bandage.

Mr. OWEN: No, it goes under the bandage and pupates there. It stays there for several weeks, at least, and it can be easily detected in its cocoon and destroyed. In addition to these costs, the growers are faced with the extra cost of passing all their fruit through central packing sheds. This means an extra handling cost for some growers. In addition, the spray residues must be removed, otherwise the fruit would possibly not pass the health standards of this State, and certainly not those of some of the overseas markets. This means the installation of special cleaning machinery; and besides that, the quality of the fruit, through the extra handling and brushing, may be affected and the return to the grower reduced.

So, it has been estimated that the cost of the eradication campaign, because of materials, extra work and loss of quality, could be something like £70,000 for this season, which is a considerable sum. The departmental officers have been on the job and have already done a great amount of work during the dormant season, and have caught thousands of grubs which have been destroyed. At the present time they are actively engaged in spraying and the growers, too, are doing their bit. It is considered that half of the estimated £70,000 will be required in hard cash.

The Government has agreed to make available the sum of £25,000 towards the cost of the campaign, and the committee of the Fruit Industry Trust Fund has agreed to make available £10,000 out of the apple and pear section of the trust fund. These two amounts will meet half of the estimated cost, but the growers have to face up to the remaining £30,000 to £35,000; and it will be difficult for many of them to meet that cost. It was hoped that the Government would see its way clear to make a further contribution to the industry.

As I mentioned earlier, the growers are concerned about it because in the apple growing industry the margin which can be regarded as the growers' livelihood, is by no means large. With the constantly increasing costs of production and marketing, they are being priced out of the export market. During the last season we lost considerable trade with Malaya because Tasmania undercut the price asked by the Western Australian growers. We have to be careful that we do not increase the cost to such an extent that the industry will be wiped out. That could easily happen if this disease were allowed to get away.

The growers at their recent State conference agreed that they would levy themselves to the extent of at least 3d. per bushel, and to that end they asked that the amendment be made to permit of an increase up to 4d. because the costs are constantly increasing and it may be that next year, or the year after, it will be necessary to strike a levy of the full amount of 4d. At present, however, it is proposed to increase the levy on apples and pears, within the limit of 4d., to 3d. The levy on citrus will remain at ½d., and on stonefruit at 1d. per bushel. Members will recall that a former member for Albany, Mr. Len Hill, said, "It is better to fight the disease on someone else's orchard". The growers, through their representatives at the conference, have agreed to this measure, and they are to be commended for their action.

At this stage I pay a tribute to the officers of the department for the way they have handled the outbreak up to the present; also, on behalf of the growers I thank

the Government for its contribution of £25,000 towards the campaign. I am disappointed, however, that the Government has not seen fit to promise more, if it is necessary, because at this stage, although we are hoping there will be no further areas affected, it is possible that an area larger than the present one will be involved.

Although the Treasurer, when introducing the Estimates tonight, told members fairly bluntly that he was up against it for finance, I had hoped that the Government would have indicated that, if necessary, it would make more than £25,000 available because if we look at the fruitgrowing industry as a whole—particularly the apple and pear section—we can see it is worth a lot to the State. It has been estimated that the timber used in cases for just the apple and pear section would be equal to the quantity required to build 700 houses. The cost of that material—the shooks—to the grower must be in the region of £250,000.

As members can imagine this means the provision of employment for many hundreds of men in the timber industry. The cost of railway freight, both on the shooks and on the packed fruit to the ports or to the markets, also runs into many thousands of pounds. In addition, the industry contributes towards those who are engaged in general cartage and those working in the cool stores. Even the revenue of the Government stores at Robbs Jetty is greatly added to by the fruit industry. The fruit is a useful adjunct there, in the off-season, to the storage of meat.

Also, I think that the member for South Fremantle, if he were here, would say how much the export fruit industry is worth to the waterside workers at Fremantle. The industry, because it provides so much hand labour—very little of it can be mechanised—is worth many thousands of pounds to workers in the State, and it is well worthy of all the support that the Government can give it in this critical time of its history.

I assure members whose constituents are mainly those who are consumers of fruit, that the levy will not, and cannot, be passed on to the consumer. It is a levy which is deducted from the wholesale price of the fruit at the metropolitan markets whether it is sold by auction or by private treaty. It does not matter whether the fruit is sent overseas because the levy is still collected by the agents free of cost and paid into the fund. Also, the cost of administration including that of the secretary of the committee, is paid from the levy so that there is no charge on anyone except the fruitgrowers themselves. They have asked for it, and they are willing to pay it.

In all these circumstances, I have much pleasure in supporting the second reading of the Bill and I trust it will have a speedy passage through this Chamber and another place so that it can be proclaimed in time to be effective and the increased levy can be collected during the forthcoming apple and pear season.

HON. L. THORN (Toodyay) [8.16]: I have much pleasure in supporting the second reading. I was present at the fruitgrowers' annual conference when the growers agreed to strike this levy and I know that they are appreciative of the Government's agreeing to find £25,000 towards eradicating this pest. It is undoubtedly a serious threat to the apple and pear industry. I was in South Australia for five years working in fruitgrowing areas where the codlin moth was prevalent, and I know the seriousness of it. It is not an exaggeration to say that if it got a good grip of this State, it would destroy at least 25 per cent. of the apple crop. I have also seen it in peaches, quinces, apricots and plums. It is not usual to find it in the softer fruit but it does attack them and the member for Darling Range mentioned the number of sprayings that are required to get it under control.

A bandage is placed around the trunk of the tree because the grubs, when they leave the apple that is lying on the ground, like many other pests, make for the tree again and they get behind the sack bandage and stay there. It is necessary for the grower to go around every week, remove these bandages and destroy the grubs. Also to carry out the work effectively it is necessary to remove all the loose bark from the trees because the grubs will go under any loose bark. Codlin moth is a serious threat to the industry in Western Australia and, as the member for Darling Range said, departmental officers have already killed thousands of grubs. But members can be sure that there are many thousands that got away and by now they are probably moths flying round and attacking other areas. The position cannot be treated too seriously.

Mr. Nalder: Do they multiply very quickly?

Hon. L. THORN: Yes. If the late Mr. George Wiggins, who was Superintendent of Horticulture, were here today he would back up this story: I had an extraordinarily good property and it was nothing for me to get 30 bushels of apples off a Cleopatra tree. So members can imagine that if areas like that were attacked by the codlin moth, and the growers lost 25 per cent., at least, of their crop, what a loss it would be!

Unfortunately, it is difficult, in fact, well nigh impossible today, to find a market for codlin moth apples. When the grub attacks

the fruit, it bores one hole in the fruit and then works its way into the core of the apple. A few years ago we used to dry a few apples but they are not popular on the market today and so, generally speaking, apples affected by codlin moth are a total loss. If a grower missed an apple that had been attacked by codlin moth, while packing apples for export, by the time they reached London the apple affected would have become decayed and would have destroyed many other apples around it.

I strongly support this move and I hope that the department, with the co-operation of the growers, will be successful in eradicating this pest. I am not optimistic enough to believe that they will get rid of it altogether but I sincerely hope they do. As the member for Darling Range said, this pest takes cover in boxes, sheds and everywhere else and it infests fruit everywhere it goes. In the old days the policy of the department was to destroy buildings and boxes wherever it was found.

Mr. Nalder: Must it have fruit to survive?

Hon. L. THORN: Yes, fruit of some description. But it is during the germination stage that it leaves the fruit and takes cover. Then the moth flies away and so spreads the disease in other parts. As the growers are prepared to levy themselves in order to try to eradicate the pest I have much pleasure in supporting the Bill, and I have no doubt that the House will give it a speedy passage.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—INSPECTION OF MACHINERY ACT AMENDMENT.

Second Reading.

Debate resumed from the 1st November.

MR. WILD (Dale) [8.25]: This small amending Bill will make it compulsory for men driving internal combustion locomotive engines with a cylinder capacity greater than 50 square inches to pass an examination and it provides that the drivers of these engines, like the drivers of locomotive engines, shall pass a medical examination at periods stipulated in the regulations. I understand that the Bill has really been introduced to cover certificated drivers in the North-West and on the Lakewood firewood supply line on the Goldfields.

I do not know for how long there has been an examination for internal combustion engine drivers in Western Australia but I know that in South Australia a similar provision was in force in 1926 or 1927 because I sat for the examination at about that time. I understand that the examination was instituted a couple of years before that. When a person has worked with a certificated driver on an internal combustion engine for a specific number of hours, he is permitted to sit for an examination, and if he can satisfy the examiners that he knows how to work the engine, he is given a certificate. Also, according to the regulations, a certificated person must submit himself for medical examination after a certain period of time.

This Bill will not apply to the drivers of internal combustion engines used on the railways, as the drivers of those engines do not come within the scope of the Inspection of Machinery Act. But the drivers covered by the Bill will, of necessity, have to move on to lines owned by the W. A. Government Railways at some time or another, and as a result it is necessary to ensure that they understand the rules and regulations relating to signals used by the Railway Department in Western Australia.

There is also a provision in the Bill which will empower the Minister to grant what could be called a temporary certificate to a man who may be working, as an example, in the North-West at places such as Broome or Derby. In most of these ports there will be only one certificated driver and he may become ill or wish to take leave in the city. If no other certificated driver is available, the Minister is given permission, under this Bill, to grant exemption to an approved person for a period of six months. If the Bill were not passed it would mean that the engine would remain idle while the certificated driver was away.

The Minister can correct me if I am wrong, but from what I can see of it he will be able to keep on giving a six months exemption. I think that after six months a man should be able to pass the necessary examination and obtain a certificate for himself. These certificates will also be issued in two different types, restricted and unrestricted. That applies to the stationary internal combustion engine today. With the unrestricted certificate a man can drive any internal combustion engine, irrespective of size, whereas the holder of a restricted certificate, even with the stationary engine, is restricted to an engine with a cylinder area of 50 square inches or less.

That applies mainly to small donkey type engines or to one that might be used to drive a pump. The man who is entitled

to drive a large locomotive internal combustion engine would be one who holds an unrestricted ticket and who is subject to examination, provided he has had tuition for 36 hours per week in the previous nine months from a certificated driver on a locomotive fitted with vacuum and air brakes.

The man that has been driving only a small type of engine would also have to have 40 hours tuition under the guidance of a certificated driver before he would be permitted to hold a restricted ticket which would permit him to drive an internal combustion engine having an area of up to 50 square inches. In the case of a man who previously has only driven a steam locomotive, it is laid down that he shall, during the previous 12 months, receive no less than 144 hours instruction, which would work out to a basis of three of four hours per week for 12 months under a certificated man and then, subject to examination, he could obtain an unrestricted certificate.

I feel that this is a Bill which deals only with a more modern type of motor power that is in operation today and is keeping in line with the provisions that have been laid down in the Inspection of Machinery Act for many years past during which the only type of power that was in use was steam. I support the second reading of the Bill.

MR. MOIR (Boulder) [8.32]: I am sure that the proposals in the Bill will prove to be of great assistance. They deal mainly with the diesel locomotives used on mines. Quite a few of these are used on the surface and one can readily understand that it is necessary to ensure that competent drivers are in charge of the locomotives, hauling ore as they do for considerable distances from one shaft to another on the various mining leases. They play an important part in the haulage of ore on all the mines along the Golden Mile.

However, I am concerned about one provision in the Bill relating to exemptions under the Act. This clause seeks to add a further paragraph in the relevant section to grant exemption to drivers of diesel locomotives. I have no quarrel with that except that the clause refers to the use of these locomotives underground. There are a considerable number of locomotives in use underground but they are all powered by electricity and governed by the Mines Regulation Act. Internal combustion engines are not allowed to be used underground in any mine under any consideration.

Therefore, the reference to the use of diesel locomotives underground is redundant and has no bearing on the position whatsoever. I am certain that this is a mistake because the Mines Regulation Act, in regard to the haulage of ore underground provides that the driver of an electric locomotive must hold the necessary certificate. That was brought about by the fact that when these locomotives were first introduced, there was no provision in the Mines Regulation Act controlling them. It was not until fatal accidents occurred as a result of inexperienced people driving the locomotives that a provision was inserted in the Act stating that before a person could drive one of these engines, he had to pass the prescribed examination and hold the certificate enabling them to operate the locomotives.

So it seems strange that this proposed amendment to the Inspection of the Machinery Act seeks to provide that if a diesel locomotive is used underground, the driver would not require to hold a certificate. I hope, therefore, that this clause will be investigated by the Minister and deleted from the Bill.

In Committee.

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

Clauses 1 and 2—agreed to.

Clause 3—Section 53 amended:

The **MINISTER FOR LABOUR**: I thank the member for Dale for the remarks he passed on this Bill which cannot be regarded as being contentious. In regard to your submission, Mr. Chairman, that the use of diesel locomotives underground is not permitted on the mines, I have had that provision checked and I find that this provision is superfluous because the Act controlling these locomotives is, as was pointed out by you, the Mines Regulation Act. Therefore, I move an amendment—

> That the words "(ii) during use underground" in line 27, page 2, be struck out.

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

Clauses 4 to 6, Title—agreed to.

Bill reported with an amendment.

BILL—LOCAL GOVERNMENT.

In Committee.

Resumed from the 6th November. Mr. Moir in the Chair; the Minister for Justice in charge of the Bill.

Clause 43—Electoral lists (partly considered):

Hon. A. F. WATTS: The amendment I propose to move is not on the addendum but on today's notice paper. I move an amendment—

> That the words "the names of persons who appear to him to be eligible for registration as well as" in lines 25 to 27, page 51, be struck out.

The clause provides that the clerk of the municipality, after having given notice in a newspaper to persons who are eligible for registration as electors and who require to be so registered, may apply in the form in the Sixth Schedule to be so registered. Up to that point the legislation complies with what I consider to be the proper method of putting persons on the roll. I presume that adult franchise is to be the order of the day in view of the fact that the Committee has rejected an amendment to prevent that.

If the procedure is carried out properly the elector, in accordance with this advertisement, should make application to the clerk as is done in enrolment for the Legislative Assembly. When that has been done the clerk of the municipality should enrol the applicant. With any system of adult franchise that is the only satisfactory way in which electors can be enrolled. Indeed, it also has application for enrolment for the Legislative Council where some form of restricted franchise applies.

The clause goes on to say that the clerk shall not only put the names of persons who have applied on the roll, but also the names of those persons who appear to him to be eligible for registration. Would it be right in those circumstances for the clerk of the municipality to put the names of persons on the roll because he thinks they should be on the roll? Those are not the names of ratepayers of that municipality, but persons who are supposed to have resided in that district for six months and who are over 21 years of age, natural born or naturalised British subjects.

Mr. Andrew: Why should such a provision be so disastrous?

Hon. A. F. WATTS: Is it reasonable for the clerk at Katanning to put the names of those he thinks fit on the roll, even though they may not have made application? That is what this clause provides. In order to prevent that, I am moving the amendment standing in my name.

The MINISTER FOR HEALTH: Examining the amendment superficially I thought the mover was correct, but after going into the matter with the Local Government Department and the Parliamentary Draftsman, I find that unless a person is enrolled before the 15th January, he will not be enrolled at all. Under the old method the roll consisted of ratepayers and their names were put on the roll if they were entitled to a vote. Under this clause the names of those eligible are placed on the roll and any objection can be made to the revision court. If this amendment is agreed to, there will be no roll at all because very few people would make application to be placed on the roll before the 15th January.

Mr. Nalder: If you carry the argument on adult franchise further, you will say that they are all entitled to a vote and are keen to be placed on the roll.

The MINISTER FOR HEALTH: That may be so. On the other hand, a ratepayer may not make application to be placed on the roll, and if this right is not given to the clerk, the ratepayer will have no vote. If we are to have an election without a full roll, we can agree to the amendment; but if it is desired to have a complete roll, there is only one way to do that, and that is to follow the provision in this clause. It must be remembered that there is a review by the revision court and the decision of that court is final.

Hon. D. Brand: At what stage would you find out a person was not entitled to be on the roll?

The MINISTER FOR HEALTH: The list would be made out and everyone would have an opportunity to see it, just the same as the existing practice. The department contends that if we accept this amendment, there will be no roll at all. If the Leader of the Country Party desires to move that everyone shall be enrolled compulsorily, I would agree. We must remember that the clerks of municipalities are responsible persons and carry out their duties conscientiously. Furthermore, there are between 50 and 60 protective clauses regarding enrolments. I feel certain no one will get away with a vote if he is not entitled to one.

Hon. A. F. WATTS: I disagree with the Minister very strongly. I suggest he is completely mixed up between adult franchise and the ratepayer's qualifications which exist under the present law. It is all very well to talk about the revision board being satisfactory. It is the duty of the clerk of a local authority to keep a rate book showing all the ratable land, the owners and interested persons. In consequence the information available to him for the enrolment of any person is perfectly clear to him.

In the interests of his brand of democracy, the Minister wants adult franchise. That clause has already been passed and adult franchise is to be the order of the day. Now we come to a system which is similar to the enrolment for the Legislative Assembly, namely, persons over 21 years of age residing in a district shall be entitled to become enrolled. The revision court is a different proposition. Who is to be possessed of the knowledge to check the names of everyone in the district, or to know whether a name on the roll represents a person in the district, that he is over 21 years of age, that he is a natural born British subject or a naturalised British subject? The circumstances are entirely different because there is no rate book to be used as a guide.

Mr. Lawrence: They could sign statutory declarations.

Hon. A. F. WATTS: There is nothing about that in the Bill. As the clause stands, the clerk is the one who decides these matters, whereas for the Legislative Assembly roll, under adult franchise an elector has to apply to be enrolled. He has to be over 21 and has to possess other qualifications. When the application is received by the electoral officer the name is placed on the roll; if it is not received, the name is not included. That is what the position should be in respect to adult franchise for local authorities.

Again, the Minister referred to a date before which a person has to present his claim. That is all very well. Does not the Legislative Assembly roll close on a certain date every time there is an election or by-election? If an application is not in before the stipulated date, the person does not get on to the roll. The circumstances should either be the same as for the Legislative Assembly enrolment or we should take the present system. The Minister cannot give us a mixed grill. He is saying that we will not have a ratepayer's provision, but that the provisions in respect of ratepayers should apply. I say that if we are to have the same system as the Legislative Assembly enrolment, the same procedure must apply to local government in order to do justice.

Mr. NALDER: I support the Leader of the Country Party. The Minister's reasoning is absolutely exaggerated. He must have complete faith in his fellowmen if he thinks that a local government officer should be able to put down the name of any person he thinks fit. This is one of the most ridiculous provisions one could imagine. It leaves the whole thing open to abuse. As the member for Stirling said, we should have one thing or the other.

We should provide that the person qualified to be on the roll must make application. There could be an advertisement in the local Press stipulating the closing date for the rolls, and everybody who applied would be qualified to vote if he proved his case. Under this provision a local government officer could put down the name of anybody he merely thought should be on the roll, and the person concerned might have no qualification.

Hon. D. BRAND: I do not think the Minister is really serious in hoping to get this provision through. Here an officer of a local authority is being given power to enrol anybody who appears to be eligible; and not for the first setting up of the roll, but for ever and a day.

Our argument has been that one of the great problems associated with the introduction of adult franchise into local government is that it would create an opportunity for the introduction of party politics; and that cannot be denied.

The Minister for Health: That is not right; there is party politics in local government now.

Members: No!

Hon. D. BRAND: We do not want party politics in local government. There might be party politics in one or two municipalities, but my hope is that it will not go any further. The experience in the Eastern States indicates that we have nothing to gain from the introduction of party politics.

The Minister for Transport: Local government in Western Australia is dominated by Liberals and Country Party men.

Members: What rot!

The Minister for Transport: They are absolutely in the majority.

The CHAIRMAN: Order!

Hon. D. BRAND: Yes, Mr. Chairman! I think the Minister should set an example. We have already heard from the Speaker in regard to interjections.

The Minister for Transport: You are afraid of a few Labourites.

Hon. D. BRAND: Outside of party politics, I can imagine the position that might arise in some road board area where it was desired perhaps to construct a pool, or showers for a football team; and one of these men, having a bias in favour of such a project could, when the election was drawing near, put down the name of every Tom, Dick and Harry and so pack the rolls in a way that would suit the ultimate objective of the man in question.

The Minister for Health: Would you do that if you were a clerk of a council?

Hon. D. BRAND: No; but it would be possible.

The Minister for Health: But not probable.

Hon. D. BRAND: I hope that we will not place in the way of these people any temptation to do such things. I could refer the Minister to occasions on which the Minister for Local Government has had to dispense with the services of quite a number of secretaries of local governing authorities for reasons that I will not mention. Sometimes they have got off with a few hundred pounds. I trust that I would not do that; but they did it after having stepped into positions of responsibility. This provision should be withdrawn, and no hardship would be entailed.

I feel that the provision was included by the officers of local government with a view to making it easier to create the first roll by putting down everybody who appeared to be eligible for enrolment on

the basis that if somebody challenged any enrolment later on in a court of appeal, that would be okay.

Mr. TOMS: I cannot help feeling that the previous speakers have been off the beaten track. I oppose the amendment. I admit that Clause 42 provides qualifications such as are required for the Legislative Assembly, but there is this difference: There is no compulsion with regard to voting for local authorities, as there is in connection with the Legislative Assembly elections.

Hon. D. Brand: If it is not compulsory, is that not an argument for its being more reasonable for people to make application?

Mr. TOMS: The inference has been drawn that voting for the Assembly and voting for a local government authority are parallel. I am pointing out that in one case there is compulsion and in the other there is not. It has been mentioned that party politics could be introduced. Perhaps that would depend on the parties themselves. I have been in local government long enough to know that it is not desirable to have party politics drawn into it.

Members: Hear, hear!

Mr. TOMS: I hope that we never reach the stage where this side of the House has to line up against the other side in local government.

Hon. D. Brand: That situation will develop.

Mr. Nalder: Then you will not support this Bill.

Mr. TOMS: I am supporting it. It would appear to me that those supporting the amendment have had very little contact with town clerks or road board secretaries if they suggest that those people would be so weak-spined as to put out their necks, when under the direction of the Minister, and put names on a roll for the purpose of having certain motions carried, or have names excluded for the purpose of defeating a particular project.

The Minister for Native Welfare: It is a reflection on the town clerks.

Mr. TOMS: I have had experience of these people, and I can tell members opposite that if they thought they could put it over a road board secretary or a town clerk and get their names on a roll without being entitled so to do, they would have another think coming.

Mr. ACKLAND: I cannot understand the attitude of the member for Maylands. I am confident he is speaking with his tongue in his cheek.

Mr. Toms: No, I am not.

Mr. ACKLAND: We have had many instances in Western Australia of road board secretaries—and I think some town clerks—who have tried to exercise influence and who have had to be discharged from the positions they occupied. It is absurd to give a man power to put people on the roll merely because they appear to him to be eligible.

The Minister for Health: The municipalities do it now.

Mr. ACKLAND: No. There has to be a qualification from the Titles Office or the man must declare that he is the occupier of certain premises. So long as a man's qualifications are in order, the town clerk or the road board secretary has a definite obligation to enrol him. Under this provision, it does not matter how anxious a man may be to do the right thing, he has an opportunity of making all sorts of mistakes. If an individual has not sufficient interest in a district to apply to be put on the roll, when he has the qualifications, why should anybody be given the opportunity of doing it for him?

I am sure the Minister does not believe that this is right. If he persists in making this sort of stupid addition to the measure, he will do a great disservice to all people who want to take an interest in local government, and I am sure he will not produce a good measure, no matter how much he tries to bludgeon the Bill through this place.

Mr. I. W. MANNING: I am surprised at the attitude taken by the member for Maylands. Once a man is qualified as a ratepayer of a district he has the right to vote. This clause seeks to extend that to take in all adults over the age of 21 and also asks the secretary of the road board to place them on the roll. From what he said on the previous clause, I understood the Minister aimed to give people, not ratepayers but interested in local affairs, the right to vote. The amendment would only remove the provision that the secretary of the road board or town clerk should place on the roll the names of those he thought fit—

The Minister for Health: It could not be abused, because there is a revision court.

Mr. I. W. MANNING: The clause, even with the amendment, must be acceptable to the Minister in view of his previous argument. I support the amendment.

Mr. O'BRIEN: I cannot understand the opposition to the clause because it is quite clear, and when the roll is completed a list is posted for the period specified and any objection can be raised.

Mr. I. W. Manning: What about people who might be embarrassed by being put on the roll?

Mr. O'BRIEN: Why should they be embarrassed? There is no fine attached to it.

Mr. OWEN: We would have to be simple-minded to agree to this provision. Any town clerk or road board secretary,

if he wished, could stuff the roll. I have served on a number of revision courts and I say that in these circumstances it would be impossible, in the time, for the court to check all the names.

Mr. Ross Hutchinson drew attention to the state of the Committee.

Bells rung and a quorum formed.

Mr. OWEN: I repeat that the revision court would find it impossible to make a proper check. The officer concerned could put thousands on the roll and they could not be checked in the time available. I support the amendment.

Mr. W. A. MANNING: A previous clause dealt with adult franchise and that was bad enough but this clause is preposterous in that it will allow a road board secretary or town clerk to put on the roll the names of all those who appeared to him to be eligible. That provision would leave the position wide open. If we agree to this clause, we might as well do away with all the qualifications for enrolment.

The Minister for Health: It is the same under the municipalities legislation now.

Mr. W. A. MANNING: The qualification is to be an owner or occupier, which is easily checked, but this provision could not be checked. Would the Minister say that the returning officer for an Assembly election should be able to place on the roll a few hundred more names because they appeared to him to be eligible? He would never agree to that. I support the amendment.

Mr. HALL: I congratulate the member for Moore on his grand performance because his pathos was outstanding. A man may have been in a town and paid rates for three months and if he applied for enrolment the town clerk, having received the rates, would automatically enrol him and he could then stand for election. I oppose the amendment.

Mr. POTTER: Eligibility, as set out in a previous clause, depends upon six months' residence and the person must be a natural born or a naturalised British subject and 21 years of age. The word "appears" will always come into it. At present an occupier makes application and if it appears to the town clerk that he is the occupier of the premises, he is enrolled. Where a man's livelihood depends on his actions, as in the case of a town clerk or road board secretary, I do not think he would take the risk of enrolling anyone who was not eligible. Accordingly, the Opposition need not take exception to this clause.

Mr. ROSS HUTCHINSON: I support the amendment and commend the Leader of the Country Party for his exposition of the position. The Government has achieved its major objective by securing the provision of adult franchise. There is nothing about compulsion and in order to compile the roll Clause 42—

Mr. O'Brien: Mr. Chairman, I think we have dealt with Clauses 41 and 42.

Mr. ROSS HUTCHINSON: I meant to refer to Subclause (3) of Clause 43 which contains the offending words "the names of persons who appear to him to be eligible for registration." I cannot see any justification for that whatever. Anybody in the municipality with the qualifications outlined may apply to be enrolled. There is no justification for one person to say "I think so-and-so should be on the roll." Where will the clerk of the council find all these names? To what will he have regard? Where is he going to get the information from? How is he going to find out that a person is 21 years of age or 18 years of age?

The Minister for Health: Foolish exaggeration!

Mr. ROSS HUTCHINSON: It is not, and the Minister cannot justify the words which the Leader of the Country Party seeks to strike out.

Mr. Lawrence: Do not you think the people would put themselves on the roll?

Mr. ROSS HUTCHINSON: That is exactly what I want them to do. They may put their own names on the roll by filling in a card.

Mr. Lapham: And hand them to the clerk; and they appear to be all right to the clerk.

The CHAIRMAN: Order!

Mr. ROSS HUTCHINSON: The Leader of the Country Party clearly explained the similarities between enrolment for the Legislative Assembly and what could be enrolment for local government under this legislation. Despite what the member for Maylands said, up to a point there is an absolute comparison where the Assembly enrolment is compulsory and this municipal enrolment is not. To retain the words that are sought to be struck out would make for Rafferty rules—kick where you see a head. I support the amendment.

Hon. A. F. WATTS: I am not one of those who has raised the point that the town clerk or shire clerk might deliberately do something that was intentionally wrong. I do not think that suggestion is necessary. Under this measure the position of the shire clerk will be ridiculous. Indeed, almost impossible. Clause 43 (3) of this measure is virtually the same as that in the Municipalities Act; and there it served a very good purpose because the only persons eligible for enrolment were ratepayers and occupiers.

It has generally been the custom in municipalities to put on the roll the person who owned the property and whose name was in the rate book; then to have an

officer make inquiries concerning places to ascertain who the occupiers are because, under the Municipalities Act, the occupier is entitled to enrolment to the exclusion of the owner. Under the Road Districts Act the occupier had to apply because he was not entitled to enrolment to the exclusion of the owner.

So the duty of the road board secretary was to put on the rolls those persons whose names were in the rate book as owners of the property. Therefore, as far as ratepayers were concerned, he had a definite record of rated land upon which to work. That provision has been transferred into this Bill which provides for adult suffrage. It takes away the qualification both of ratepayer and occupier; it destroys the evidence upon which the town clerk or road board secretary could work because thousands of people in some municipal areas would be eligible for enrolment other than ratepayers. So it will be a comparatively negligible affair to get a complete roll.

The Bill provides that before the specified date the clerk must advertise, giving notice that persons who are eligible for registration as electors and who require to be so registered may on or before the 15th day of January apply in the form in the Sixth Schedule to the clerk of the council to be so registered. Up to that point the position is similar to that of the Assembly rolls. The roll closes on a certain date and if a person wants to get his name on the roll then he must lodge an application with the registrar before that date.

Subclause (3) provides that the clerk of the council shall include in the list the names of persons who appear to him to be eligible for registration as well as the names of persons who have served upon him an application mentioned in Subclause (2). I do not want to take out the reference to those who have served application because they are obviously entitled to registration in the same way as those who apply to the registrar. One requirement is that they must be naturalised persons or natural born. There are thousands of people in the country who are aliens and not naturalised, but they are living in places and are over 21 years of age. I do not know how the town clerk will discover the eligibility of these good people.

Mr. Ross Hutchinson: The Minister will tell us that.

Hon. A. F. WATTS: It should be sufficient if we are to have adult suffrage that if a person makes application before the closing date he should have his name put on the roll. The position of the town clerk or shire clerk would be ridiculous if he is to ascertain whether people are qualified or not in places of large population to which this legislation will apply. It becomes a matter of guess work. If the Minister does not like my amendment I implore him to think of something else that will solve the problem. I do not suggest for a moment that the town or shire clerk cannot commit a wrong, but his position will become impossible.

Mr. O'BRIEN: The Leader of the Country Party was correct in what he stated about the Sixth Schedule. It is true that an application has to be made. The application on page 512 of this Bill reads as follows:—

> APPLICATION TO BE INCLUDED IN ELECTORAL LIST.
>
> To the Clerk of the of :
> Sir,
> I, of
> hereby claim to have my name added to the electoral list for (the Ward of) the of in accordance with the following particulars:—
> Surname of Claimant.
> Other Names of Claimant.
> Address.
> Place of Residence.
> Period of Residence at that Place.
> Dated the day of 19 .
> Signature.
> Full name in block letters.

Hon. A. F. Watts: Hear, hear!

Mr. O'BRIEN: The Leader of the Country Party stated we have new Australians in our midst, and undoubtedly we have. Surely a secretary has the ability to check the Legislative Assembly roll as a guide. If these people who claim to be on a municipal roll are not eligible by virtue of the fact that they are not on the State electoral roll, they would not be entitled to vote. If they were new Australians, the secretary could check the rolls.

Mr. I. W. MANNING: I move—

That progress be reported.

Motion put and negatived.

The MINISTER FOR NATIVE WELFARE: I feel that the member for Stirling has dealt with a number hypothetical cases and I cannot see any reason why I cannot do the same. I would refer the member for Stirling to the Electoral Act in which there is provision covering a man who is not living in the district. He retains his place of abode to get his vote. I would leave this subclause in its present form. It will enable a town clerk to decide as to whether a man is eligible to be on the roll or not.

Mr. Nalder: He could be eligible on two rolls.

The MINISTER FOR NATIVE WELFARE: Yes, he could be. One is the State electoral roll and the other the municipal roll. If a railway man were away from the town and the town clerk knew his wife was living at his normal place of residence, he could be left on the roll. A Tom Smith could have left a town for some six or

eight months and it could be rumoured that he had sold his property. If the town clerk had no official advice that he had left the town, he could use his judgment and leave him on the roll. There has been too much emphasis on hypothetical cases which in nine cases out of 10 do not occur. I am prepared to vote for the clause in its present form.

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

Ayes	14
Noes	19
Majority against	5

Ayes.

Mr. Brand	Mr. Nalder
Mr. Cornell	Mr. Oldfield
Mr. Crommelin	Mr. Owen
Mr. Grayden	Mr. Roberts
Mr. I. Manning	Mr. Wild
Mr. W. Manning	Mr. Watts
Sir Ross McLarty	Mr. Hutchinson
	(Teller.)

Noes.

Mr. Andrew	Mr. Johnson
Mr. Brady	Mr. Lawrence
Mr. Evans	Mr. Marshall
Mr. Gaffy	Mr. Norton
Mr. Grayden	Mr. Nulsen
Mr. Hall	Mr. O'Brien
Mr. Heal	Mr. Potter
Mr. W. Hegney	Mr. Rhatigan
Mr. Hoar	Mr. Toms
	Mr. May
	(Teller.)

Pairs.

Ayes.	Noes.
Mr. Hearman	Mr. Kelly
Mr. Mann	Mr. Sleeman
Mr. Bovell	Mr. Tonkin
Mr. Court	Mr. Hawke
Mr. Thorn	Mr. Sewell
Mr. Ackland	Mr. Jamieson
Mr. Perkins	Mr. Lapham

Amendment thus negatived.

Clause put and passed.

Clauses 44 to 61—agreed to.

Clause 62—Minister may direct compilation of fresh roll in certain cases.

Hon. A. F. WATTS: I move an amendment—

> That the word "persons" in line 37, page 59, be struck out and the words "members of the council" inserted in lieu.

I think it was intended that the court should be held by three members of the council. That is the present position. They would certainly be better qualified to deal with this matter than persons called in from outside.

The MINISTER FOR HEALTH: I think this word was purposely put in because if the council made a mistake, probably through its own fault, there is no reason why they should be their own judges. I think three independent persons would give impartial consideration to an error that had been made with regard to the rolls.

Hon. A. F. Watts: It would not be the fault of the council; it would be the fault of the shire clerk.

The MINISTER FOR HEALTH: It might be the fault of the council.

Amendment put and negatived.

Clause put and passed.

Clauses 63 to 90—agreed to.

Mr. Nalder: You, Sir, did not call clause 77.

The CHAIRMAN: Yes, I did.

Mr. O'Brien: I think Clause 78 was missed.

The CHAIRMAN: I called Clause 78.

Mr. O'Brien: I bow to your ruling.

The CHAIRMAN: It is not a ruling; it is a fact.

Clause 91—Form of nomination papers:

Mr. JOHNSON: I draw attention to a small point here, and I suggest that the Minister might have a change made in another place. First of all, I point out that in the second line of Subclause (2) the word "candidate" is wrongly spelt. Subclause (3) provides that the deposit may be in the form only of legal tender, a cheque, etc. I suggest that to make it legal to pay by cheque is an error as it is possible to tender a cheque which is not capable of being met. I understand there are more "rubber" cheques than there used to be. I would like to see the words "a cheque" deleted when the Bill goes up for reprinting.

The MINISTER FOR HEALTH: I shall apprise the Minister for Local Government of the position, and he can have the change made in another place.

Clause put and passed.

Clauses 92 to 94—agreed to.

Clause 95—Proceedings on nomination day:

Hon. A. F. WATTS: I move an amendment—

> That the words "and who are approved by the Minister" in line 34, page 75, be struck out.

If there are not sufficient candidates to fill the vacancies and if after the council has called nominations once more, there are still not sufficient candidates, then the clause provides that the remaining vacancy may be filled by the council. This measure, if anything, imposes more restrictions on local authorities than did its predecessor which was the subject of complaint concerning restrictions. There does not seem to be the slightest need here for the approval of the Minister.

The MINISTER FOR HEALTH: It might be dangerous to allow a vacancy to be filled by the board without an approach being made to the Minister. The majority of those on the board might have some motive in appointing a particular person. They might appoint him for their own benefit.

Mr. Nalder: You are arguing against yourself on a previous clause.

The MINISTER FOR HEALTH: No. The Minister does not often intervene, but if there is anything that the Minister thinks is not right, he should have the power to intervene.

Amendment put and negatived.

Clause put and passed.

Clauses 96 to 98—agreed to.

Clause 99—Ballot papers:

Hon. A. F. WATTS: The clause provides that the names of candidates shall be placed on the ballot paper by drawing lots. I have received a number of objections from local authorities to this proposition. This has confirmed my impression that the change is not a particularly desirable one. The system of placing the names on the ballot paper in alphabetical order has stood the test of time. I do not think we should include in this legislation, proposals for drawing lots. I move an amendment—

That Subclauses (2), (3) and (4) be struck out.

The MINISTER FOR HEALTH: I feel that the fairest way to determine the position of the names on the ballot paper is to decide by lot. The hon. member's name starts with the letter "W" and if there were five or six candidates he would be at the bottom. The fairest way is to put the names in a hat and draw them out.

Hon. A. F. Watts: I might still be on the bottom.

The MINISTER FOR HEALTH: We seem to fear the integrity of people.

Hon. A. F. Watts: You cannot put that on me.

The MINISTER FOR HEALTH: I am not accusing the hon. member of being unfair; nor do I doubt his integrity. What is the difference in having the names in alphabetical order or getting the candidates to draw lots?

Hon. A. F. Watts: There is a considerable difference.

The MINISTER FOR HEALTH: Why should some candidates be penalised and not others? I have a good mind to change my name to Abbott, Abel or even Cain. Personally, I do not see why the clause in the Bill should be changed.

Mr. EVANS: The member for Stirling said that the principle of placing the names in alphabetical order on the ballot paper had stood the test of time. I agree, and I think it should now be counted out. I believe it is more democratic to have a ballot the same as it is with most other elections. I appeal to members' sense of democracy and I ask them not to agree to the amendment.

Mr. NALDER: The Minister said that he considers that the method of drawing lots is preferable. I do not agree with him because it makes it necessary for the candidates to attend, or for representatives on their behalf to be present in order to draw lots for the position on the ballot paper. In some road board districts a candidate might be 100 miles or more away and it would be an imposition on him in such a case because he would have to arrange for a representative to attend on his behalf. The place and time would have to be advertised and a lot of unnecessary work would be caused.

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

Ayes	14
Noes	19
Majority against	5

Ayes.

Mr. Brand	Mr. Nalder
Mr. Cornell	Mr. Oldfield
Mr. Crommelin	Mr. Owen
Mr. Grayden	Mr. Roberts
Mr. I. Manning	Mr. Watts
Mr. W. Manning	Mr. Wild
Sir Ross McLarty	Mr. Hutchinson
	(Teller.)

Noes.

Mr. Andrew	Mr. Lawrence
Mr. Brady	Mr. Marshall
Mr. Evans	Mr. Norton
Mr. Gaffy	Mr. Nulsen
Mr. Graham	Mr. O'Brien
Mr. Hall	Mr. Potter
Mr. Heal	Mr. Rhatigan
Mr. W. Hegney	Mr. Toms
Mr. Hoar	Mr. May
Mr. Johnson	*(Teller.)*

Pairs.

Ayes.	Noes.
Mr. Hearman	Mr. Kelly
Mr. Mann	Mr. Sleeman
Mr. Bovell	Mr. Tonkin
Mr. Court	Mr. Hawke
Mr. Thorn	Mr. Sewell
Mr. Ackland	Mr. Jamieson
Mr. Perkins	Mr. Lapham

Amendment thus negatived.

Clause put and passed.

Clauses 100 to 109—agreed to.

Clause 110—Duty of returning officer on receipt of application:

Hon. A. F. WATTS: As far as I can see the amendment that I originally proposed to this clause has been incorporated in the Bill and before we pass it I would like the Minister to assure me that that is so.

The Minister for Health: It is covered by Clause 112.

Hon. A. F. WATTS: The Minister will recollect that these amendments were drafted on the last reprint of the Bill and in the majority of cases were transferred to the new notice paper unaltered. As the previous reprint stood, there was a most objectionable provision in it regarding absentee votes inasmuch as there was to be no separate envelope in which to put the ballot paper.

As the previous clause stood, when the envelope was opened, the ballot paper was visible to anybody who wanted to look at it and the name and address of the voter was on the outside so that the secrecy of the ballot was lost. My idea was to insert an amendment to provide that the envelope should contain another envelope on which should be printed the words "Ballot Paper"

so that when the verification of the outer envelope took place the inner envelope would still be sealed and could be placed within the ballot box unopened. I want the Minister to satisfy me on that point.

The MINISTER FOR HEALTH: My information is that it is covered by Clause 112 which sets out the procedure. I have been given that assurance by the Secretary for Local Government.

Clause put and passed.

Clause 111—Authorised witnesses of absent votes:

Hon. A. F. WATTS: I move an amendment—

> That all words after the word "elector" in line 7, page 93, down to and including the word "latitude" in line 9 be struck out and the words "of the State" inserted in lieu.

This clause provides for authorised persons to witness absentee vote applications. Firstly, there is a restrictive type of personnel who shall be regarded as being an authorised witness. The Bill provides that absentee ballot papers can be applied for and sent out by post. They can be sent to many places other than those north of the 26th parallel. If there is not a justice of the peace or other authorised witness in the district, the elector who has the ballot paper in his possession has to find one. My amendment will not affect an elector in the North-West.

The MINISTER FOR HEALTH: This clause was inserted to cover an elector situated north of the 26th parallel. I have no objection to the amendment because it will greatly expand the area, and will not restrict it.

Mr. W. A. MANNING: If the amendment is accepted, paragraphs (a) to (i) are nullified.

Mr. ROSS HUTCHINSON: I agree with that contention. I have no objection to the amendment, but if it is accepted, it cancels out the necessity for the categories of persons described in paragraphs (a) to (i). If after the word "latitude" in line 9, the words "or of any municipality where the categories referred to in paragraphs (a) to (i) are not readily accessible" were inserted it might meet the situation. There should be some sort of qualification for an authorised witness and this proposal will meet with the requirements mentioned by the Leader of the Country Party.

Hon. A. F. WATTS: In my opinion the amendment is quite satisfactory. There is no objection to other persons having the qualifications and using them when they sign a document if they so desire. However, where such a person is not available the opportunity should be given to an elector, as it is given in the Commonwealth and State elections, to find an authorised witness. The proposal put forward by the member for Cottesloe is on a par with that we first heard this evening. The point is: Would an elector know when a J.P. was not readily available?

Mr. O'BRIEN: I am in favour of the amendment moved by the Leader of the Country Party.

Mr. NORTON: It is possible that in the outback there may not be "an elector of a municipality."

Hon. A. F. Watts: Those words will come out if the amendment is agreed to.

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

Clauses 112 to 132—Agreed to.

Clause 133—Payment of expenses of returning officer:

Hon. A. F. WATTS: I have certain amendments on the notice paper dealing with the matter but before moving them I would like to hear the Minister's views on this clause. There is a schedule of fees set out and subclause (2) states that the fees paid are not to be less than the amount shown against the respective officers, or such other fees as are prescribed by the regulation. These fees were regarded as being reasonable when the Bill was first printed. It might be all right to use the word "not less than" throughout the Act if the value of these services is going to rise, but they might become less.

Instead of the basic wage being £13, it may go higher or lower in future. To say "not less than the fees shown in the schedule" appears to be fixing a minimum figure, notwithstanding that the value of the service may fall considerably at some future date. If those words are left out and the fees are left to be prescribed by regulation they can be increased or decreased from time to time as the occasion may warrant.

At present there is a double provision. The clause prescribes that the fees shall not be less than the amount shown, and that they also shall be prescribed by regulation. As long as the clause prescribes that the fees shall not be less than those shown in the schedule, the regulations cannot make them less. I want to leave the fixing of the fees to be prescribed by regulation. My idea is not to be obstructive; I realise the changing values of money. I am prepared to abandon my amendment on the notice paper and will only proceed to move for the striking out of the words "not less than" because I approve of prescribing the fees by regulations. I move an amendment—

> That the words "not less than" in lines 29 and 30, page 108, be struck out.

The MINISTER FOR HEALTH: I cannot see any objection to the deletion of these words. If it is found necessary, the fees can be varied by regulation.

Amendment put and passed.

Hon. A. F. WATTS: There is also a consequential amendment that will now be necessary. I move an amendment—

That the word "the amount shown against the respective offices, or such other fees" in lines 30 and 31, page 108, be struck out.

Amendment put and passed.

The CHAIRMAN: In deleting the words in line 29 the word "of" is left in. We can take that out consequentially.

Hon. A. F. WATTS: Very good. As we are now going to prosecute by regulation, the scale of fees will not be necessary and I move an amendment—

That the "Scale of Fees" in lines 33 to 45, page 108, be struck out.

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

Clause 134 to 159—agreed to.

Clause 160—Appointments to office to which regulations do not apply:

Hon. A. F. WATTS: The clause provides that the council shall not remove an officer, holding office when the regulations come into operation, because he is not the holder of the certificate required, but it does not say that if that officer wants to leave, he is eligible for appointment elsewhere. It would be unfair to put a man, who has held an office of this nature for some years, in the position, if he leaves his employment, of not being sure of getting similar employment elsewhere because he does not posses the qualifications. At that stage of his career, he may not be in a position to obtain those qualifications. We do not usually impose qualifications on people who for years have not required any, but give persons who have been in a particular practice or an occupation for a number of years authority to retain their rights.

The Minister for Health: I agree with that.

Hon. A. F. WATTS: I move an amendment—

That the following subclause be added:—

(4) No such regulation shall have application to or affect the appointment to any such office of a person holding office as clerk, engineer, building surveyor or treasurer at the time of the making of the regulations.

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

Clauses 161 to 169A—agreed to.

Clause 170—Ratepayers' meetings:

Hon. A. F. WATTS: At present, ratepayers' meetings seem relatively unimportant gatherings but in lines 16 and 17 on page 127 there is provision that the consent of the Minister must be obtained if, because there is not a suitable meeting place which is not a hotel within the territory of the local authority, a local authority wishes to hold a meeting in a suitable place in an adjoining territory. I move an amendment—

That the words "with the consent of the Minister" in lines 16 and 17, page 127, be struck out.

The MINISTER FOR HEALTH: I think there should be some safeguard and I see no reason why the consent of the Minister should not be obtained. I oppose the amendment.

Hon. D. BRAND: I cannot understand the Minister's attitude. Why would the Minister want to be cluttered up with the necessity to give permission for the ratepayers to hold a meeting over the boundary? We think local authorities should be allowed to retain as much power as possible and stupid requirements such as this only antagonise them against the department and the Minister. Surely the Minister's consent is totally unnecessary in a motion such as this!

The Minister's own leader, when Deputy Leader of the Opposition, severely criticised our Government, and the Leader of the Country Party as Minister, in particular, because the Bill at that time contained too much power for the Minister. We want to relieve that situation. This is not an important amendment but one of principle and the Minister should give some consideration to what is a commonsense amendment.

Mr. W. A. MANNING: The Minister must think that local authorities are an irresponsible lot.

The Minister for Health: I have had as much or more experience than you have had of local government and I have a lot of time for the members of those boards.

Mr. W. A. MANNING: Whose advice will the Minister take in regard to this matter? Will he go to the district himself and have a look or will he get someone else to do that? The whole thing is so absurd that I am surprised the Minister would want it referred to the Minister for Local Government. Apparently, the officers of Government departments have nothing better to do and want something to keep them occupied. Local authorities are permitted to spend thousands of pounds of ratepayers' money and yet, if this clause is agreed to as it stands, they will have to go to the Minister to get permission to hold a meeting in some other district.

Mr. JOHNSON: I think we should have a commonsense outlook in regard to this clause.

Mr. W. A. Manning: Hear, hear!

Mr. JOHNSON: There would need to be exceptional circumstances to hold a ratepayers' meeting outside the district

and where exceptional circumstances are involved, I think the Minister should have some say. This contingency might not arise once in twenty years and a ratepayers' meeting might be organised in such a manner that it could be engineered.

Mr. Ross Hutchinson: Engineered for what?

Mr. JOHNSON: For the purpose of some members of the board.

Hon. D. Brand: But the ratepayers would not mean a thing with adult franchise.

Mr. JOHNSON: This would be required only in cases of exceptional circumstances and I cannot see any reason for the amendment.

Mr. ROSS HUTCHINSON: This debate has developend into a comic opera, because the Government is opposing such a commonsense amendment. The Minister, who will be spending this financial year approximately £5,500,000, wants to have every local authority who might want to hold a meeting outside its district to approach him for permission. It is just too funny. The member for Leederville gets up every now and then and with wild sweeping statements brushes every member of the Opposition from the face of the land and says that they have no intelligence. He has the idea that he will give them all the gen.

The CHAIRMAN: I think the hon. member had better get back to the amendment.

Mr. ROSS HUTCHINSON: I hope the Minister will not object to this amendment because it will certainly do no harm but will be worth while.

The MINISTER FOR HEALTH: Apparently many members here do not understand the seriousness of some ratepayers' meetings:.

Hon. D. Brand: They would not be of much use with adult franchise.

The MINISTER FOR HEALTH: Let us look at it this way. Some ratepayers—say 21 of them—might petition for a ratepayers' meeting and want to get away from their own particular district for reasons of their own. In such cases the Minister would be able to look into the matter and decide whether they should be permitted to do that.

I was chairman of a board and I had a disloyal secretary and I got rid of him. If he had been able to get the ratepayers' meeting away from the environment of Salmon Gums, he might have been able to put up a plausible tale. But he did not get away with it in that instance, and I think the Minister should have some control in that direction. The Minister could say that such and such was a suitable place for them to hold their meeting within the district. Members opposite get up as if they are dictators and give a lecture like a school teacher. Without giving the matter any fair consideration they follow the leader. I feel no enmity towards the leader, but I like a man to be sensible. I am handling something like £5,500,000 in the vote for my portfolio. In business I have handled my own money and I know how to look after it. I have had no need to run to anybody. In the same way the Government is responsible for local government in this State and if they are going to do something within the scope of the Act, they should be subject to the Minister.

Mr. NALDER: Any outsider who was listening to the Minister would think that we were a lot of dills.

The Minister for Health: I never said that.

Mr. NALDER: No, but that is what an outside person would think. If the position is as bad as the Minister considers it is, it would be better to issue all the complainants in road board districts with a free pass, book the town hall for a certain date and the Minister could be appointed to chair the meeting. The ratepayers would then get away from the bad environment that they are now in and away from all these wicked secretaries to which the Minister refers.

On the other hand, the Minister has referred to secretaries of road boards as being very decent fellows. The Minister has stated that he has had experience of road board secretaries and he desired to get the ratepayers away from their influence so that they could discuss their affairs in a more friendly atmosphere. I wonder where we would get if the Minister assumed all the power that he suggests he should.

What is to happen if a local authority has to refer a decision on the venue of a ratepayers' meeting to the Minister? That would be treating them like kids. The Minister might just as well run all the local governing bodies from Perth. There would be as much sense in that suggestion as the provision contained in this clause.

Mr. O'BRIEN: I cannot agree to this amendment. If it is necessary to enter an adjoining municipality for the purpose of holding a ratepayers' meetings, it is necessary to obtain the consent of that municipality beforehand. If that adjoining local governing body is not prepared to consent, the local authority which desires to hold the meeting would have no alternative but to obtain a hall in another district and if it cannot do that, it then must turn to the Minister. I oppose the deletion of the clause.

Hon. D. BRAND: I think the last speaker is off the track a little. Surely the principle is one of trying to do away with municipal control which has been supported by several members on many occasions. For instance, the other evening, if I remember rightly, the member for Leederville stated that he supported the

principle of granting local authorities greater power. Here is an opportunity to grant a local authority the power to select a place where it shall hold a ratepayers' meeting.

The only reason why a local authority would want to hold such a meeting outside of its own district would be that there was no accommodation available within its boundaries. Under this new legislation, that would be something exceptional. In view of the fact that the local authority is the one which is providing the funds, it should have the right to decide where the ratepayers' meeting shall be held.

Mr. I. W. MANNING: Does not the Minister realise that the members of local governing bodies are responsible citizens?

The Minister for Health: No one is denying that.

Mr. I. W. MANNING: This clause is casting a reflection on the intelligence of those people. Surely the members of a local authority are capable of deciding where a ratepayers' meeting shall be held. In most country districts the local authority owns the town or district hall and makes its own arrangements for the holding of a ratepayers' meeting. If it were impossible to hold that meeting in its home town, surely the members of the local authority could rise to the occasion and arrange for the meeting to be held somewhere else. I support the amendment.

Mr. W. A. MANNING: An instance has occurred to me where the Narrogin Road Board has its office in a building which it owns in the municipality of Narrogin. If the Bill becomes law, every time the ratepayers' meeting of the Narrogin Road Board is desired, the Minister's permission will have to be obtained. What about the meetings of the road board itself which are held at the municipality of Narrogin? I suppose they would have to seek the Minister's permission. It is absurd. Their head office is in the local governing authority of the area and if they are to have a meeting in their own area, they will have to go under the trees. The thing is getting more absurd.

Mr. WILD: I move—

That progress be reported.

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

Ayes	13
Noes	19
Majority against	6

Ayes.

Mr. Brand	Mr. Nalder
Mr. Cornell	Mr. Owen
Mr. Crommelin	Mr. Roberts
Mr. Grayden	Mr. Watts
Mr. I. Manning	Mr. Wild
Mr. W. Manning	Mr. Hutchinson
Sir Ross McLarty	*(Teller.)*

Noes.

Mr. Andrew	Mr. Marshall
Mr. Brady	Mr. Moir
Mr. Evans	Mr. Norton
Mr. Gaffy	Mr. Nulsen
Mr. Graham	Mr. O'Brien
Mr. Hall	Mr. Potter
Mr. W. Hegney	Mr. Rhatigan
Mr. Hoar	Mr. Toms
Mr. Johnson	Mr. May
Mr. Lawrence	*(Teller.)*

Pairs.

Ayes.	Noes.
Mr. Hearman	Mr. Kelly
Mr. Mann	Mr. Sleeman
Mr. Bovell	Mr. Tonkin
Mr. Court	Mr. Hawke
Mr. Thorn	Mr. Sewell
Mr. Ackland	Mr. Jamieson
Mr. Perkins	Mr. Lapham
Mr. Oldfield	Mr. Rodoreda

Motion thus negatived.

Mr. OWEN: I have refrained from rising earlier because I thought that reason might prevail. In the more scattered and widespread parts of the country areas, very often we find a settlement within a road board district close to the boundary of another municipality or road board district where there is no hall. That is not uncommon. In the road board district I represent there are two places which are four to five miles from the nearest hall in the Darling Range Road District. Ratepayers' meetings are generally held in, say, the Karragullen hall to save ratepayers travelling long distances. This provision would waste the time and money of ratepayers and cause them inconvenience. I support the amendment.

Mr. TOMS: I oppose the amendment. This is something that would happen very seldom and surely the Minister should know where the annual meeting of the ratepayers is being held. The member for Narrogin quoted the case of his local authority having to apply each year to the Minister. I can see no such provision in the clause. I suppose at present the Minister knows that the Narrogin Road Board meets in the Narrogin council rooms. The road board should apply to the Minister.

Mr. Ross Hutchinson: What is the necessity? It is pettifogging detail.

Mr. TOMS: As a matter of courtesy, if for no other reason.

Amendment put and negatived.

Clause put and passed.

Clause 171—Ordinary and special meetings of the council:

Mr. JOHNSON: I wish to say a few words on this clause dealing with the time of meetings of the council. They should be held at such times as will enable those who are eligible to be elected to the council, to take part. The Perth City Council under whose jurisdiction I come, has a very large income, volume of business and responsibility, but the opportunity for election as a councillor is restricted because the meetings are held in the day time. I would like to see a provision being made for them to be held at night.

Many ratepayers work during normal hours as wage-earners or in small businesses. They would have no hope of taking part in council affairs in Perth because the meetings are held in the daytime. For many years the Perth City Council has been dominated by a small group of people who have exceptionl opportunities. It is wrong in principle that this degree of specialisation and restriction of the field of councillors should exist. I make my protest and urge that this clause be reconsidered by the Minister in another place so that it will be reworded in such a manner to ensure that the meetings take place in the evenings.

Clause put and passed.

Progress reported.

BILL—STATE HOUSING ACT AMENDMENT.

Second Reading.

Debate resumed from the 1st November.

MR. WILD (Dale) [11.45]: As the Minister explained, the Bill contains two main provisions: One is to bring into line the period in which repayments under the State Housing Act can be made so that it conforms to the other two Acts controlled by the State Housing Commission, that is the War Service Homes Act and the Commonwealth and State Housing Agreement Act. It is to extend the period from 40 to 45 years. The other main provision has been introduced as a result of a decision of the Supreme Court a few months ago when it was ruled that the State Housing Commission should pay current rates on subdivided land which it had acquired previously.

In introducing the Bill, the Minister gave what I thought to be sound reasons and I entirely agree with them. They were to give the purchaser of a home under the Workers' Homes Act, the opportunity to change over from leasehold conditions to mortgage, and at the same time giving him the opportunity to purchase the land which under the leasehold provisions, remained the property of the instrumentality until the completion of the deal. This would make it possible for him to purchase that land at the price when it was appraised at the time of entering the contract.

Under the existing Act in every 20 years the value of land has to be reappraised and the rental fixed accordingly. I can well imagine the position of a person who entered into a contract with the State Housing Commission 19 years ago under leasehold conditions, and had a house built under the Workers' Homes Act on a block of land costing £100, which, when reappraised 20 years later, would be worth between £500 and £600. I could go further than that because land values have appreciated to a greater extent in suburbs like Dalkeith or Floreat Park. Possibly no workers' homes have been erected there, although in the early days there might have been one or two.

In recent months, prior to the passage of this Bill and before it becomes law, such reappraisals may have taken place. The amending Bill lays down that the value of this land shall be the value when the Bill is passed. It is not possible to make the valuation retrospective.

Mr. I. W. Manning drew attention to the state of the House.

Bells rung and a quorum formed.

The Minister for Lands: You are going out now, are you?

Hon. Sir Ross McLarty: What you often did, you know.

Mr. WILD: Prior to that rude interruption, I was about to say that in the transfer from leasehold to mortgage the purchaser of the home will have to conform to the provisions of the existing Act, wherein he has to pay 10 per cent. deposit and leaving a balance of no more than £2,500. By this amending Bill the Minister is going to make it permissible for him under mortgage or leasehold to be able to vary the period in which a man may make his repayment.

With regard to rates, I was responsible Minister in 1950, when that amendment was put into the Act and I thought it was going to allow the State Housing Commission to pay rates on subdivided land at the current rates. However, the Minister has indicated there has been no certainty about it and it culminated in a Supreme Court case in which the judge found against the Housing Commission. This amendment will clarify and clear up the position.

Finally I want to say that the Workers' Homes Act and the War Service Homes Act are two of the finest Acts in regard to housing. I prefer them to the Commonwealth-State Housing Agreement Act. The Workers' Homes Act gives every man an opportunity to obtain his own home on the lowest deposit possible. I agree with the Minister that if a man can pay a bigger deposit he will not have to pay as much in interest. However, people with large families cannot always pay 10 per cent. and to them £50 may be quite a sum, but they turn out to be better citizens if they own a square foot of land. In addition, the State Housing Commission is not responsible for the maintenance of the home. Once a man gets a title to the land he really thinks he owns something, and virtually does. He takes a greater interest and in the long run not only becomes a better citizen but relieves the State Housing Commission of the responsibility for maintaining the home. So far as we are concerned on this side of the House, anything which will tend to give a man the right to own his own home must have our support.

Question put and passed.

Bill read a second time.

House adjourned at 11.56. p.m.