

selected from a panel of names submitted to the Minister for approval could, in effect, have a vested interest. Persons representing local government are appointed to other bodies such as the Swan River Conservation Board, and some members that I can recall are elected in this way. From experience I suggest that these people are very watchful in regard to where their support emanates in the ensuing period when people have to be nominated again for selection for the panel of names submitted to the Minister.

Despite what may be said, they are like members of Parliament. They know that at the end of their term they will be up for selection at the convention, general meeting, or other gatherings. For that reason they have to be watchful of the source of their support.

We agree there is no inhibiting factor; and that there should be a representative of local government. We are suggesting to the Minister that he should have greater freedom in his selection. We suggest he could still make that appointment by asking the Local Government Association to submit a panel of three names, from which he could select one. By this method the Minister would not be obligated. As the Bill stands, the Minister is obligated to ask the Local Government Association to submit three names. We suggest the Minister could make the appointment with greater freedom. The important aspect is that our amendment is in conformity with the selection of the present three members, and with the parent Act. It would not intrude a new method of selection.

Mr Nanovich: What happens to a member who has a vested interest somewhere else? You are criticising the local government representation because of vested interest.

Mr TAYLOR: I am not.

Mr Nanovich: He could have a vested interest elsewhere, and still be included in the board.

Mr TAYLOR: The Minister should have full power to appoint whom he wants.

The CHAIRMAN: The member will address the Chair. The member for Toodyay will have an opportunity to make his point.

Mr TAYLOR: I suggest the Minister is always in a better position to assess the impartiality, the merits, and the qualifications of the member he selects, than is a body which through a vote puts forward a panel of three names. I suggest the Minister should take into consideration his position in the future, because he might want somebody with special qualifications to fill this appointment. I have instanced some people who might be more suitable to him and to the sections over which the Town Planning Authority has control. We do not question the ability of local government to handle

the method of selection. This is not a major amendment; it merely seeks to bring the Bill into line with the Act.

Mr RUSHTON: The proposition put forward by the honourable member is unacceptable. I have already canvassed the reasons for the provision in the clause. The method proposed in the clause will allow local government to participate in the appointment. It has the objective of encouraging and strengthening local authorities, by giving them an opportunity to participate.

Mr Taylor: So will this amendment.

Mr RUSHTON: It will allow other things to take place.

Mr Taylor: Such as?

Mr RUSHTON: I accept the way that local government is handling its responsibilities, and I have no fear of the method we are putting forward. It acknowledges the responsibility of local government, and gives local authorities a say without their having to submit the name of a person. A person with a vested interest in many areas of local government is not appointed.

Mr Taylor: For a start they will not represent Fremantle or the City of Perth.

Mr RUSHTON: I appreciate the presentation of this case by the member for Cockburn, but I think the viewpoint which I have put forward is preferred by the Government.

Amendment put and negatived.

Clause put and passed.

Clauses 4 and 5 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

House adjourned at 11.26 p.m.

Legislative Council

Wednesday, the 28th August, 1974

The PRESIDENT (The Hon. A. F. Griffith) took the Chair at 4.30 p.m., and read prayers.

ABORIGINAL AFFAIRS ROYAL COMMISSION

Tabling of Report

THE HON. N. E. BAXTER (Central—Minister for Community Welfare) [4.32 p.m.]: I have here for tabling the report of the Aboriginal Affairs Royal Commission. A copy of the report will be made available immediately at the Western Australian State Library for public examination.

A decision will be made tonight as to the estimated number of copies that will need to be printed to meet the expected demand for the report; and the Government Printer will be authorised accordingly.

The report was tabled (see paper No. 192).

QUESTIONS (17): ON NOTICE

1. TEACHERS' COLLEGES

Living-away-from-home Allowances

The Hon. R. F. CLAUGHTON, to the Minister for Education:

- (1) Has the Minister received submissions from teachers' colleges student councils requesting an increase in living-away-from-home allowances for first and second-year students to \$2 080, and for third and fourth-year students to \$2 280?
- (2) If the answer to (1) is "Yes" will he indicate what action the Government is taking in respect of these submissions?

The Hon. G. C. MacKINNON replied:

- (1) Yes.
- (2) The matter is under consideration.

2. ROAD TRANSPORT

Perth-Carnarvon Tonnages

The Hon. G. W. BERRY, to the Minister for Health:

What tonnages per month were carted by road from Carnarvon to Perth for the years 1968, 1969, 1970, 1971, 1972 and 1973?

The Hon. N. E. BAXTER replied:

The only figures on record relate to garden produce carried from Carnarvon to Perth since January, 1971.

These are as follows—

	Tonnes		
Months	1971	1972	1973
January	464	1580	1389
February	240	585	675
March	386	388	737
April	1009	262	671
May	803	564	1042
June	1079	760	1237
July	1334	848	1488
August	1424	1101	1619
September	2231	679	1872
October	2850	2212	2588
November	3388	3078	2833
December	2573	2416	1766

3. LEONORA HOSPITAL

Drainage System

The Hon. S. J. DELLAR, to the Minister for Health:

- (1) Has he received any complaints regarding the condition of the drainage system at the Leonora Hospital?
- (2) (a) If so, has a report been called for on the drainage system;
(b) if not, will he arrange for a report to be made?
- (3) If the answer to (2) (a) is "Yes" what does the report indicate?

The Hon. N. E. BAXTER replied:

- (1) Yes.
- (2) (a) Yes.
(b) Answered by (a).
- (3) The drainage system requires up-grading and action is being taken to carry out certain work as a temporary measure until a new effluent disposal scheme is installed as part of a proposed extensive re-building programme for the hospital.

4. PENSIONERS

Motor Vehicles Licenses

The Hon. Lyla ELLIOTT, to the Minister for Health:

Further to my question on the 31st July, 1974, requesting the Government to exempt pensioners from the proposed increase in motor vehicle license fees, has the Government completed its investigation into this, and if so, has it made a determination on the question?

The Hon. N. E. BAXTER replied:

A Cabinet subcommittee is investigating pension concessions generally.

A determination has not yet been made.

5. INTERNATIONAL LABOUR ORGANISATION CONVENTIONS

Observance by Commonwealth

The Hon. D. W. COOLEY, to the Minister for Justice:

- (1) Will the Minister inform the House whether the Australian Government has ratified the following International Labour Organisation Conventions—
(a) the Convention cited as The Freedom of Association and Protection of the Right to Organise Convention 1948 (No. 87);

(b) the Convention cited as *The Right to Organise and Collective Bargaining Convention 1949 (No. 98)*?

- (2) Does the Western Australian Government consider that it is bound to honour the national obligations associated with these conventions?
- (3) Will the Minister assure this House that the guarantees to workers and employers contained in Articles 3 and 8 of the first named convention (No. 87) will be preserved in any Bill or Motion that he may present to this House on the Government's behalf?

The Hon. N. McNEILL replied:

- (1) Yes, the Australian Government ratified the two conventions on the 28th February, 1973.
- (2) and (3) It is the intention in this State to conform to the Articles of the two conventions and any specific instances of non-conformity drawn to my attention will be examined.

6. TRANSPORT

Fuel Depot Proprietors: Ban

The Hon. G. E. MASTERS, to the Minister for Education:

- (1) (a) Is the Minister aware that an association of fuel depot proprietors is being formed to combat the tactics of the Transport Workers' Union who are forcing them to observe hours of work that cause suffering to the public and loss of earnings to themselves;
- (b) if the answer is "Yes" will the Minister give support to the establishment of such an association?
- (2) (a) Is the Minister aware that the black ban placed on eight fuel depot proprietors was only lifted when they attended the office of Mr Robert Cowles, Secretary of the Transport Workers' Union, and at least one threatened legal action against the union, but one proprietor, Mr B. Armanasco of Pickering Brook is still not able to obtain supplies because of his refusal to attend the union office;
- (b) if the answer is "Yes" will the Minister take steps to ensure that Mr B. Armanasco obtains fuel supplies as soon as possible now that Mr Robert Cowles is reported in *The West Australian* to have stated that the proprietors'

aims are the same as those of his union; namely, to maintain supplies to the customers?

The Hon. G. C. MacKINNON replied:

- (1) (a) I have read this in the daily Press.
- (b) People are entitled to form themselves into organisations of employees or employers and to be registered as such under the Industrial Arbitration Act by the W.A. Industrial Commission. The Minister has no jurisdiction in their application.
- (2) (a) I also read this in the daily Press.
- (b) The Minister has no statutory authority to ensure that Mr Armanasco obtains fuel supplies.

7. *This question was postponed.*

8. GAMBLING

Report of Royal Commission

The Hon. S. J. DELLAR, to the Minister for Justice:

When is it expected that the report of the Royal Commission into Gambling in Western Australia will be made public?

The Hon. N. McNEILL replied:

As the report of the Royal Commission has not yet been received by the Government, I cannot, at this stage, indicate when it will be made public.

9. INTERNATIONAL LABOUR ORGANISATION CONVENTIONS

Observance by State

The Hon. D. W. COOLEY, to the Minister for Justice:

Will the Minister give an undertaking to examine that section of an International Labour Organisation publication titled "A Digest of Decisions of the Freedom of Association Committee of ILO" headed "The Right to Strike", and in particular clause 244 which reads as follows—

In referring to its recommendation that restrictions on the right to strike would be acceptable if accompanied by conciliation and arbitration procedures, the Committee has made it clear that recommendation in this question refers not to the absolute prohibition of the right to strike as such, but to the restrictions of that right in essential services or in the public

service, in relation to which the Committee has stated that adequate guarantees should be provided to safeguard the workers' interests—

before presenting any Bill or Motion to this House on his Government's behalf which provides for a state of emergency?

The Hon. N. McNEILL replied:

Matters concerning the interests of workers, employers and the community generally will be fully considered before the Government moves to implement any legislation which may provide for a state of emergency to be declared in this State.

The Hon. G. C. MacKINNON replied:

Hostels	Increase paid 1974 \$
Albany	4 914
Bunbury	3 486
Carnarvon	4 116
Esperance	5 810
Geraldton	6 090
Katanning	2 898
Merredin	5 586
Moora	966
Narrogin	8 316
Northam	9 156
Hedland	8 694
Swanleigh	13 986
	<hr/> \$74 018

10.

TRAFFIC

Morley Shopping Centre

The Hon. LYLA ELLIOTT, to the Minister for Justice:

- (1) Have the Town Planning and Main Roads Departments yet completed a design to overcome the traffic and pedestrian problems at the Morley shopping centre near the intersection of Walter Road/Wellington Road/Collier Road?
- (2) If so, when is it anticipated that work will commence to make the area safer for pedestrians?

The Hon. N. McNEILL replied:

- (1) No. The roads and parking areas involved are under the control of the local authority. Any proposal for additional road works is therefore the responsibility of the Bayswater Shire Council.

Advice has, however, been provided in the past by officers of Town Planning and Main Roads Departments and designs for channelisation and signals provided at the intersections of Russell and Rudloc Streets, Rudloc and Collier Streets, and Russell Street and Walter Road.

Accident records do not indicate an above average hazard.

- (2) Answered by (1).

11.

EDUCATION

Remote Areas: Assistance

The Hon. R. F. CLAUGHTON, to the Minister for Education:

Further to my question regarding education in remote areas on Tuesday, the 20th August, 1974, will he advise which hostels will receive assistance and the actual amounts of increase paid this current calendar year?

12. EXMOUTH HIGH SCHOOL

Fourth-year Classes

The Hon. S. J. DELLAR, to the Minister for Education:

- (1) At a public meeting held at Exmouth prior to the last State election, did the then Leader of the Opposition (Sir Charles Court) promise that, if the Liberal Party was elected to Government, fourth-year classes would be commenced at the Exmouth school at the start of the 1975 school year?
- (2) If so, will these classes be available for the start of the 1975 school year?

The Hon. G. C. MacKINNON replied:

- (1) The Premier did indicate that fourth-year classes would be provided if the Liberal Party was elected to Government but no reference was made to a commencement at the start of the 1975 school year.
- (2) The Premier will be visiting Exmouth on Friday, 30th August and it is anticipated that he will be making a statement with regard to the provision of fourth-year classes.

13. PREVENTION OF CRUELTY TO ANIMALS

Legislation

The Hon. LYLA ELLIOTT, to the Minister for Health:

- (1) Did the Minister see the item in *The Sunday Times* of the 18th August, 1974, in which the RSPCA is seeking a ban on steel-jawed rabbit traps in the metropolitan area because domestic animals are being caught in them every week?
- (2) Is he also aware that the Government of New South Wales passed legislation in that State last year to prohibit the use of steel-jawed traps in prescribed areas?

- (3) In view of the fact that these traps must cause animals intense suffering, will the Government agree to amend the Prevention of Cruelty to Animals Act to ban the use of these traps?

The Hon. N. E. BAXTER replied:

- (1) Yes.
- (2) No.
- (3) The matter will be examined when a submission has been received from the RSPCA.

14. FUEL, ENERGY AND POWER RESOURCES LEGISLATION

Examination by Law Society

The Hon. D. W. COOLEY, to the Minister for Justice:

- (1) Has a subcommittee of the Western Australian Law Society expressed to the Premier an opinion on the Fuel, Energy and Power Resources Bill which has been introduced in another place?
- (2) If the answer is "Yes" will the Minister convey to this House the Society's subcommittee's opinion?
- (3) If any other legal authority has expressed an opinion on the Bill, will he also convey to this House their conclusions?

The Hon. N. McNEILL replied:

- (1) and (2) The President of the Law Society of Western Australia has sent to the Premier what is referred to as a "Commentary on a Bill for an Act, to be cited as the Fuel, Energy and Power Resources Act Amendment Act, 1974".

The Premier's understanding of the Society's approach was to ensure the Government had the opportunity to consider these comments before the Bill proceeded further in another place.

The Premier has made the comments available to the Ministers directly concerned. They will have been studied before the second reading debate proceeds further tomorrow.

The Minister handling the Bill will refer to the Society's comments when he is speaking on the Bill.

The Society has concentrated its comments on the legal aspects of the Bill and has made it clear that it is not questioning the need for emergency legislation.

If the Society wants to issue its comments on a general distribution to the public it will no doubt do so without any reference to the Government, but in the meantime, we have treated the comments as being directed to the

Government in a desire by the Society to let the Government have its views so that they can be taken into account in considering the final form of the legislation.

- (3) I know of no "other legal authority" which has expressed a comment on the Bill directly to the Government beyond, of course, the normal advice the Government receives from its own legal advisers. If the Hon. Member has knowledge of any opinions from any "other legal authority" I would be interested to receive the information.

15. ROTTNEST ISLAND BOARD

Borrowing Powers

The Hon. R. F. CLAUGHTON, to the Minister for Health:

Further to my questions on Tuesday, the 20th August, 1974, regarding proposed buildings on Rottnest Island—

- (a) what are the borrowing limits of the Board;
- (b) how will these funds be used in the current financial year?

The Hon. N. E. BAXTER replied:

- (a) \$400 000 per annum.
- (b) The amount borrowed in 1974 will be spent principally on new cottages in the Thomson Bay settlement.

16. EDUCATION.

Finances

The Hon. R. F. CLAUGHTON, to the Minister for Education:

- (1) Is the Minister aware of alarm expressed by the Australian Teachers' Federation that in some States—

- (a) there is secrecy surrounding implementation of Karmel programmes;
- (b) that these Governments were covering up inadequacies in planning; and
- (c) that Governments could be disguising reductions in real expenditure on education from their own (State) resources?

- (2) Will he give an assurance that the source of funds will be separately acknowledged in Education Department accounts, and so make clear that these charges do not apply to Western Australia?

The Hon. G. C. MacKINNON replied:

- (1) Yes.

- (2) The Education Department keeps accurate accounts of spending on all Schools Commission programmes and can readily identify expenditure.

17. ENVIRONMENTAL PROTECTION

Subiaco Development

The Hon. R. F. CLAUGHTON, to the Minister for Education:

Supplementary to my question regarding Subiaco development on the 27th August, 1974, will he advise the technical qualification of the officer who made the investigation from which the report was prepared?

The Hon. G. C. MacKINNON replied:

The technical qualification of the officer who made the investigation regarding the Subiaco development is satisfactory in the view of the Director of Environmental Protection. The officer has a Bachelor of Science degree with Honours from the University of Western Australia. The Hon. Member can rest assured that other personnel were involved in the review of the report before it was presented.

PAY-ROLL TAX ACT AMENDMENT BILL

Standing Orders Suspension

THE HON. N. McNEILL (Lower West—Minister for Justice) [4.48 p.m.]: I move without notice—

That so much of the Standing Orders be suspended as is necessary to enable the Pay-roll Tax Act Amendment Bill to pass through its remaining stages at any one sitting.

In moving the motion, I might give a brief explanation to which I think the House is entitled.

It may be known to members that the provisions of the Pay-roll Tax Act Amendment Bill are intended to come into operation on the 1st September, which is the commencement of next week. I do not lightly ask the House to suspend Standing Orders. I believe it is a practice which should be indulged in only as the circumstances require, but I suggest to the House that the circumstances do in fact justify my moving the motion at this time.

Members are aware that this House did not sit on Wednesday and Thursday of last week, when we may have received a message from another place in relation to the Bill. It was therefore not possible for the message to be received here until our sitting yesterday. It is desirable that the Bill be proceeded with in order that it may receive assent at the earliest possible

time and the provisions may be put into effect, without any further alteration to the Bill, by the 1st September.

With that explanation, I would be grateful for the co-operation of the Leader of the Opposition and members. I do not think the motion will involve members in any difficulty. I certainly wish to respect their desire to give considered comment on the Bill, and it is not my intention in any way to push through the Bill without full opportunity being given for debate. So, in expressing my regret that it is necessary to move this motion, I do ask the House to agree to it.

THE HON. R. THOMPSON (South Metropolitan—Leader of the Opposition) [4.51 p.m.]: Mr President, you may recall that last year as a result of actions in another place we in this Chamber did not receive a similar Bill until after the 1st September, on which date it was supposed to come into operation. It became necessary to introduce a further Bill to amend the Pay-roll Tax Assessment Act.

I will agree with the motion inasmuch as none of us likes having to pass legislation that has retrospective effect, and if we do not proceed with the Bill today—not that I have any love whatsoever for it—and if it is not assented to and brought into operation quickly, we would need to have another Bill next week. Therefore, we will co-operate, although as I have said the debate on the Bill will be a different matter.

The PRESIDENT: In accordance with Standing Order 426 this motion requires the concurrence of an absolute majority. I have counted the House, and there being an absolute majority present and no dissentient voice, I declare the motion carried.

Question thus passed.

JUNIOR FARMERS' MOVEMENT ACT AMENDMENT BILL

Introduction and First Reading

Bill introduced, on motion by the Hon. G. C. MacKINNON (Minister for Education), and read a first time.

AUSTRALIAN CONSTITUTIONAL CONVENTION

Appointment of Delegates—Request for Council's Participation: Assembly's Message

Message from the Assembly as follows now considered—

The Legislative Assembly having this day agreed to certain resolutions concerning the Parliament of this State continuing to participate in the Australian Constitutional Convention, transmits a copy of the Resolutions for the information of the Legislative Council.

The Legislative Assembly requests that the Legislative Council will consider its continued participation in the Convention and appoint Members in accordance with the Resolutions to act with the seven Members of this House who have been so appointed.

The Schedule.

WHEREAS it is desirable that the Legislative Assembly of the Parliament of Western Australia should by resolution declare its will in regard to the continued participation of the Parliament in the Australian Constitutional Convention and make such decisions consequent thereupon as may seem appropriate: Now therefore, the Legislative Assembly resolves to continue to participate in the Australian Constitutional Convention and further resolves:—

1. That for the purposes of the Convention—

- (a) the delegation from the Parliament of Western Australia should consist of twelve members of whom seven should be appointed by the Legislative Assembly and five by the Legislative Council;
- (b) the seven members appointed by the Legislative Assembly shall comprise two members from the Liberal Party, four members from the Australian Labor Party and one member from the Country Party; and
- (c) the five members appointed by the Legislative Council shall comprise three members from the Liberal Party and two members from the Australian Labor Party.

2. That each appointed member of the delegation shall continue as an appointed member while a member of the Parliament of Western Australia unless—

- (a) the House of Parliament by which he has been appointed terminates his appointment; or
- (b) he resigns as a member of the delegation by writing addressed to the President of the Legislative Council or the Speaker of the Legislative Assembly, as the case requires.

3. That the seven members appointed by the Legislative Assembly shall be—

The Hon. Sir Charles Court
The Hon. D. H. O'Neil
The Hon. W. R. McPharlin
The Hon. J. T. Tonkin
The Hon. C. J. Jamieson
The Hon. A. D. Taylor
Mr R. E. Bertram.

4. That the Hon. Sir Charles Court be Leader of the delegation, and the Hon. J. T. Tonkin be Deputy Leader.

5. That where, because of illness or other cause, a member of the delegation is unable to attend a meeting of the Convention, or of a committee of the Convention or of a sub-committee or working party of such a committee, the leader or senior available member of the party from which that member is drawn may appoint an alternate member, and the member so appointed shall be a member of the delegation for that meeting.

6. That the Leader from time to time, make a report to the Legislative Council and the Legislative Assembly respectively of such information and matters arising out of the Convention as he thinks fit, and such report shall be laid on the Table of each House of Parliament.

7. That the Leader and Deputy Leader of the delegation, or their respective nominees, be appointed to represent the delegation on the Convention's Executive Committee.

8. That the Honourable the Minister for Justice be asked to provide such assistance to the delegation as it may require.

9. That the Legislative Council be informed of this resolution and invited to continue its participation in the convention on the basis outlined herein.

THE HON. N. McNEILL (Lower West—Minister for Justice) [4.54 p.m.]: I move—

WHEREAS the Legislative Assembly of the Parliament of Western Australia has resolved to continue to participate in the Australian Constitutional Convention and has by further resolution outlined a basis for such continued participation and invited the Legislative Council to continue its participation in the Convention on that basis; and whereas

it is expedient for the Legislative Council to appoint members to be members of the Parliament's delegation to the Convention in place of delegates who are no longer members of Parliament or who wish to retire from the delegation: Now therefore, the Legislative Council resolves to continue its participation in the Australian Constitutional Convention on the basis outlined by the Legislative Assembly and further resolves:—

1. That the following members shall be the members appointed by the Legislative Council to represent the Parliament at the Convention, namely—

The Hon. N. McNeill

The Hon. G. C. MacKinnon

The Hon. I. G. Medcalf

The Hon. R. Thompson

The Hon. D. K. Dans.

2. That the Legislative Assembly be informed of this resolution.

Members will see upon reference to the motion set out in the message received from the Legislative Assembly that it carries the resolution that our State Parliament continue to participate in the Australian Constitutional Convention on the basis of a 12-member delegation comprising seven members appointed by the Legislative Assembly and five members appointed by the Legislative Council.

Each member so appointed will retain membership while a member of the Parliament of Western Australia, unless such appointment is terminated by the House by which he has been appointed, or by his own resignation from membership of the delegation.

Provision is contained in paragraph 5 for the appointment of an alternative member by the appropriate party leader in the event of absence because of illness or any other cause.

The leader of the delegation will report to Parliament from time to time such information on matters arising out of the convention as he thinks fit. As Minister for Justice, I wish to assure the House that I shall be happy to provide such assistance as is within my power to the delegation, as may be required.

This motion is very similar to the original motion moved to constitute the delegation from the Western Australian Parliament to attend the convention which was held in Sydney in September, 1973. As a consequence of the executive committee activity leading up to the main convention in September, and arising from the decisions of the convention itself, four standing committees have been established. Information with respect to their appointment may be found at page 286 of the

Proceedings of the Australian Constitutional Convention, copies of which are available to members in the House. I do commend members to a reading of those proceedings.

Topics for discussion which have been referred to the standing committees are listed on page 288. If members will refer to the agenda paper No. 5 of Friday, the 7th September, 1973, they will be seen that the standing committees cover a very wide variety of subjects. It is not my intention to elaborate upon the subjects which have been, and continued to be, discussed by the four standing committees. Once again, I believe it would be in the interests of members, because of the importance of this convention, to give some attention to the matters which have been the subject of study by the committees.

In effect the standing committees are working parties to cover the various subject matters, and are widely representative of political parties and States. The Constitutional Convention to be convened on the 4th November will be considering the recommendations made by the various standing committees.

That the delegation is representative of all political parties is appropriate in that as a body it is representative of the State Parliament. Nevertheless, there is no obligation on individual members to support matters which are contrary to their policies or ideologies.

Members may have noted that last evening a Bill was introduced in another place carrying the title of, "Constitutional Convention Bill, 1974", the object of which is to overcome a constitutional problem that has arisen. When the previous Parliament was prorogued, some of the former delegates ceased to be delegates. I think members of the delegation from this House did remain members until May; and upon their re-election to Parliament they retained their membership of the delegation.

However, other members either ceased to be delegates at the conclusion of the Parliament or, as Legislative Councillors, they retired from Parliament and did not contest the March election. Some anomalies and problems developed in respect of one or two members who, without the support envisaged in the Bill to which I have just referred, might be in some danger of being accused of transgressing the Constitution.

There being some little doubt in the matter as to whether the problem might have been overcome administratively, appropriate legislation has been introduced to ensure that terms of appointment are in order and that members will suffer no anomalous financial disadvantage.

I commend to members the message inviting this House to continue its participation in the convention on the basis outlined.

THE HON. R. THOMPSON (South Metropolitan—Leader of the Opposition) [5.00 p.m.]: I am most pleased to hear of the Bill being introduced in another place for the sole purpose of making representation to the Australian Constitutional Convention while it is still in existence, although from a remark I heard in another place it would appear that this Constitutional Convention may never go out of existence and may continue for five-year, or similar periods. I believe this important step will be taken at the next convention and if it is it will obviate the necessity of having to go through the whole rigmarole of appointing delegates to attend the convention from time to time.

In supporting the motion I would like to place on record the work done by the Hon. W. F. Willesee while he was a member and Leader of this House. Later, when he was a member of one of the standing committees he performed a tremendous amount of work. I am extremely sorry we have lost such a valuable member of the standing committee, because he showed a great deal of interest in that committee and in the convention itself. I feel the Legislative Council, the Parliament of Western Australia, and Western Australia in general has lost a very valuable member.

It would appear that the schedule sent from another place needs some rewording. At present it seeks the continuity that is desirable, whereas previously, as pointed out by the Minister for Justice, some delegates were unable to attend the convention itself. The reason for this was that when Parliament was prorogued, the members concerned did not nominate again as candidates for the seats they had held. I know that I stood in for a delegate at one convention, because I was the only member of the Labor Party who was eligible to attend that conference. It is pleasing therefore to note that this anomaly will be remedied, and I support the motion.

Question put and passed; and a message accordingly returned to the Assembly.

PAY-ROLL TAX ACT AMENDMENT BILL

Second Reading

THE HON. N. McNEILL (Lower West—Minister for Justice) [5.03 p.m.]: I move—

That the Bill be now read a second time.

The purpose of this Bill is to raise the rate of pay-roll tax by $\frac{1}{2}$ per cent; currently the rate is $4\frac{1}{2}$ per cent and is charged on taxable wages.

This Bill proposes to raise this rate to 5 per cent on and from the 1st September, 1974.

The introduction of this amending legislation arises from the recent Premiers' Conference with the Commonwealth refusing to provide sufficient funds to meet the States' essential budgetary needs.

Every State Premier presented on that occasion a sound case for an increase in general purpose grants to help maintain the existing level of the States' essential community services.

However, the Prime Minister refused additional help thus requiring the States to raise the necessary revenue through their own constitutionally limited resources.

As a consequence of the Commonwealth's attitude, the Premiers were forced to seek further ways and means of reducing expenditure and raising substantial additional revenue.

For our part we had, prior to the conference, taken steps to reduce expenditure as far as was practicable consistent with maintaining a reasonable level of service, but already the serious financial plight in which the State finds itself as a result of the current rampant inflation is evident from the steps that have already been taken in the areas of charges for fares and freights, water supplies, hospital fees, and the like.

Currently we are seeking greater all-round efficiency to further reduce outlays. However, it is clear that, despite our best efforts in this direction, we are still left with a record gap between revenue and expenditure.

As all other States found themselves in a similar situation it was agreed reluctantly at the Premier's Conference to increase pay-roll tax to 5 per cent as one means of raising some increased revenue.

Nevertheless the Premiers have made a renewed approach to the Prime Minister seeking reconsideration of his Government's attitude. Should this further claim for a share of the Commonwealth Government's inflated income tax receipts fail, there will be no alternative but to find additional sources of revenue.

Normally, increases of this kind are introduced after a Budget but, the time factor is such now that action must precede the introduction of the Budget. As the agreed operating date throughout Australia is to be the 1st September it was essential that this Bill be introduced without delay.

It is desirable for all of the States to commence at a uniform date because numerous commercial enterprises are engaged in inter-State operations which necessitate a common date to avoid confusion, administrative problems, and expense to taxpayers.

Members will appreciate that pay-roll tax is paid on returns from employers of wages paid during a preceding period.

Although arrangements are made for certain categories of employers to lodge returns for longer periods, returns are generally lodged monthly. Therefore the September return will be due early in October.

In these circumstances, if the collection of the increased tax is to operate smoothly, the latest date for assent to the legislation is early September or preferably August, to allow sufficient time for the State Taxation Department to make the necessary alteration to its forms, and to notify all taxpayers of the new requirements.

Needless to say the Government is not happy about raising the rate of pay-roll tax which, in itself, is inflationary. In fact, we have no enthusiasm for this form of taxation at any time.

Nevertheless, because of the circumstances already outlined there was no alternative for the Premier but to join with his colleagues in the matter.

However, it is the Government's intention to carry out the election promise to take legislative action if necessary, to moderate the effect of pay-roll tax in certain cases.

When closing the second reading debate the Premier anticipated Budget proposals to the extent of predicting that while this Bill imposed a flat rate of tax on all taxable sources the Budget would reflect variation propositions having regard to areas which have disabilities. These would be given a rebate of the tax instead of being granted a variation of the basic rate of tax, and this would overcome many anomalies. Sir Charles understood that Victoria gave concessions by way of rebate but more generous than we can afford.

The introduction of a separate Bill may be necessary but the means of achieving our objective is still under examination by the officers concerned.

The net increased revenue which we estimate will be yielded for part of the year in 1974-75 is \$4.5 million and for a full year the figure calculated on a corresponding basis will be \$6 million.

Although the gross yield will be greater than the figures just quoted, for the reasons I have given related to inflation, it must be remembered that pay-roll tax is paid by Government departments and authorities financed from the Consolidated Revenue Fund. Consequently there will be some offsetting increase in the votes of departments which must be taken into account in calculating the net gain from this measure.

In conclusion I point out that this Bill is necessary to raise part of the essential revenue required to maintain satisfactory levels of community service. It is introduced only because the Commonwealth

refuses to assist with the State's financial problems to the extent necessary. Given the limited resources of the States, no satisfactory alternative is open to the Government.

THE HON. GRACE VAUGHAN (South-East Metropolitan) [5.09 p.m.]: The members of the Opposition oppose the Bill and we do so because we consider the money could well be saved by not being spent. Some of the propositions put forward by the Government, particularly in regard to traffic control and education, are designed to increase inflation. The Government has not had the grace even to admit that some of the promises it made in pre-election speeches are now not conducive to reducing inflation in the present financial position of Western Australia and the Commonwealth generally.

This tax, as every member knows, was handed to the States by the McMahon Government in an effort to allow the States to have some money-raising medium which they contended they needed. Since then the tax has been raised, and the Leader of the Opposition in this House will give a history of the tax when he speaks to the Bill. Suffice it for me to say that another reason we oppose the Bill is that instead of being introduced at the same time as the Budget so that we would be aware of the method by which the money is to be raised and where it will be spent, it is being introduced now, as the Minister for Justice has explained, because it is a question of timing. Therefore we must oppose the measure.

The important part about this Bill, in view of its purpose to raise extra money for additional expenditure, is that it constitutes a violation of the promises made in the Liberal Party's pre-election speeches, or in its exhortations upon the Australian Government to reduce taxes and Government expenditure. By this very Bill the State is being taxed and plans are being made to increase Government expenditure rather than to reduce it. The present Government appears to have made no attempt to control expenditure. Surely when a country is in the sort of predicament in which we find ourselves now we should all be attempting to tidy up our housekeeping. However, this is certainly not being done when we consider some of the extravagant proposals envisaged by this Government. This applies in particular to the education scheme.

THE PRESIDENT: Order! Will the honourable member please keep to the Bill.

The Hon. GRACE VAUGHAN: I have only mentioned this because it relates to one of the avenues along which this money will be spent.

The PRESIDENT: I remind the honourable member that the Bill is the Pay-roll Tax Act Amendment Bill and that is the Bill on which she should speak.

The Hon. GRACE VAUGHAN: Yes, Mr President. One of the reasons put forward by the Minister for Justice for seeking to amend the principal Act with this Bill is that it is necessary to achieve uniformity with the other States. In the light of the continual hammering that has been made on the Australian Government in regard to the States having a lack of autonomy, it seems remarkable to me that this Government is falling over backwards to comply slavishly with what the other States are doing. Also, we have not been given the assurance that the other States have already introduced similar legislation.

I want to emphasise also that the introduction of this Bill, before the Government has brought down legislation to grant exemptions, is another step that is inconsistent with its attitude towards supporting all the States against the Australian Government and, in fact, the Federation is being violated by its attitude. For instance, we have no assurance—especially as it has been stated that we will not be able to grant exemptions to the same extent as the more affluent States, such as New South Wales and Victoria—that we will be able to grant exemptions to certain classes of employers, and therefore we will not achieve uniformity with other States, anyway. That will be the position unless we can grant exemptions to some employers as the other States will do, but an indication has already been given that we may not be able to do so.

So again there is inconsistency in the approach made to exemptions. Overall, the Opposition opposes the Bill in the main because of the extravagant plans for the expenditure of the money that is to be raised, and particularly because we will not know, until the Budget is brought down, where this money will be spent.

THE HON. J. HEITMAN (Upper West) [5.15 p.m.]: I think we all know that this is a most iniquitous tax. When it was given to the States as a growth tax nobody liked it—indeed the Federal Government itself did not like it, and consequently it got rid of it as quickly as it possibly could. At that time the Federal Government charged the States and local governments a pay-roll tax. Of course when it was necessary for the States to have a growth tax to assist them manage their own expenditure this tax was passed on to the then Labor Government in this State. The Commonwealth Government said, "Here is a chance to exempt the State and the local government from paying this tax. You can do what you like with it. We think it is a good growth tax and you can go along with it."

The Labor Government of the day did not like this any more than we did but the fact remains that when a tax like

this is the only method the State can use to overcome shortages and rising inflation, which have been caused by the Federal Government, advantage must be taken of it.

When the tax was introduced by the Labor Government of the day I quoted the fact that Merredin was endeavouring to get a super works off the ground. From the report available at the time it was evident that pay-roll tax would sew up something like \$43 000 which constituted the profit of the particular concern. The tax was raised by the Labor Government at 2 per cent and if members care to work that out they would find that the super works would have shown a definite loss before it got off the ground. However, the works in question did not get off the ground.

That is what we have had to put up with in the past, and it is interesting now to hear the Opposition say that it does not like the tax. Of course it does not like the tax and, for that matter, neither do we. It was a tax imposed by the Australian Government.

The Hon. R. Thompson: It was the McMahon Government.

The Hon. J. HEITMAN: It is also interesting to hear the members of the Opposition refer to the matters it is necessary for the Government to finance. We do not like this Bill any more than did the Labor Government when it first introduced the measure. It must be appreciated, however, that we did not raise the tax by 2 per cent; we only raised it by $\frac{1}{2}$ per cent. The Labor Government raised it by 2 per cent and thought nothing of it and, in doing so, crippled the super works at Merredin. The Opposition has no representative from Merredin today and this is one of the reasons that it has no such representative.

People cannot see the justification for turning down a country proposition merely because the Labor Government thought it necessary to increase the pay-roll tax by 2 per cent.

As I have said, we all feel this is an iniquitous tax, but it has been foisted on us by the Australian Government which could not care less about Western Australia.

I support the Bill, not because I like it, but because it provides a means by which to fight inflation and the excessive costs with which we are faced as a result of the policy of the Federal Government which as I have said, could not care less about Western Australia anyway.

THE HON. I. G. MEDCALF (Metropolitan) [5.19 p.m.]: We have had Pay-roll Tax Assessment Bills introduced into this House on a number of occasions. I feel it is as well to recall briefly the history of this type of tax in Australia.

It was first introduced in 1941, as a war-time measure, in order to provide child endowment. That was the basic reason for the legislation that was introduced in 1941. It coincided with the payment of child endowment. We can see how far we have come from that position when pay-roll tax is now the means by which State Governments can survive in their financial difficulties which are caused by the Commonwealth Government not providing them with their adequate and proper share of tax revenue.

Accordingly in that short space of time, of 33 years, pay-roll tax which was introduced as a war-time measure—and the war ended in 1945—is now an established part of our taxation structure, in spite of the many objections raised against it during that period of time.

In 1971 pay-roll tax assumed a rather different position in the tax schedule when it was handed over by the Commonwealth to the States. The States had put up a claim to the Commonwealth Government that they should be given an increased share of the income tax collected by that Government. A very strong case was made out based chiefly on the Canadian system of taxing. This was rejected by the Commonwealth Government of the day on the advice of the Treasury and, in lieu of this, the Commonwealth Government offered the States pay-roll tax.

Mr McMahon was then the Prime Minister and the Treasury advice he accepted was that the States should not receive a share of the income tax revenue but should be given pay-roll tax. The States had to accept pay-roll tax; they really did not have much option. They were in a fairly desperate financial situation at the time though the position was not quite as bad then as it is now. The States were obliged to accept this tax for the purpose of their Budgets.

The fact that the tax has gone up twice since that time does not make it any better; indeed, it makes the situation worse. The rate of the tax was 2½ per cent when it was handed over by the Commonwealth to the States. By arrangement between the Commonwealth and the States in July, 1971, it was agreed that the rate thereafter should be 3½ per cent, and that was the rate that first came into force when the tax was taken over by the State and applied from September or October, 1971.

In 1973, again by agreement between the Commonwealth and the States, the rate of pay-roll tax was increased from 3½ per cent to 4½ per cent, and now it is to be increased to 5 per cent. The tax is not any less odious now than it was last year or in 1971 or, for that matter, in 1941. It is not any less iniquitous, nor is it any less inflationary; it is in fact one of the worst forms of tax that man has devised. There is only one worse form of tax I know of

and that is the window tax which was in use in Western Europe, certainly in England, in the Middle Ages. This was a tax placed on the number of windows one happened to have in his building and, of course, it encouraged people to construct buildings which had no outlet to fresh air and the sky.

That was a pretty odious tax, but I do not think pay-roll tax is much better than the window tax, because it does discriminate between those who employ a large number of people and those who do not employ any. It discriminates between large and small employers. It means that some can pass on the tax while others cannot; some are able to pay the tax and others are not. It is a tax on employment which must be regarded as a shocking thing. It is a tax on production in the sense that the more an employer pays his employees the greater the amount of tax he must pay; therefore it is a disincentive for an employer to increase the number of his employees and the remuneration he pays them.

Pay-roll tax is also a stifling tax in that it tends to restrict business; it is an inflationary tax in that in nine cases out of 10 this additional item is an element in cost; it is an element in the cost of production, just as wages and salaries are in the cost of production together with those things that go with it—the incidentals to employment; items which are supplied to employees as part of their employment, for example the provision of amenities and so on.

Those are all cost factors. On top of that, because pay-roll tax is a direct charge on the salaries paid out, it is, therefore, a direct cost and a factor in inflation.

It is hypocritical for anyone to complain about prices when he sanctions pay-roll tax. Unfortunately—and I have said this before in this House—we are forced to go along with it. I said this on the last two occasions when the pay-roll tax legislation was put forward to this House by the then Labor Government, and I say exactly the same thing now: How else can the State be expected to balance its Budget?

Accordingly just as reluctantly as Mr Heitman has done, I am forced to support this iniquitous tax. I do not blame the present State Government—and I said this previously in regard to the State Labor Government. There is no way out of this. The Government must go along with the tax.

I would like to suggest that if we do not devise a better system of raising revenue in this country the Government will really be able to continue to function in the way it has in the past. We cannot go on with this type of tax without a proper analysis being made of the whole taxing structure in Australia today. I would suggest—and this is a suggestion which may not be popular, though that does not stop me from making

it—that it will be necessary for the States to consider the question of introducing income tax.

There is nothing to prevent the State Government from introducing income tax. It is a constitutional function of which the States can make use if they wish. During the war it was arranged between the Commonwealth and the States that the Commonwealth Government would levy the income tax, but I remind members—particularly the younger members who may not be aware of it—that until 1939, the State levied its own income tax. A separate income tax return was completed.

Heaven help us if we go back to the days when we had State and Commonwealth income tax! I am not advocating that at all. But I do say it will be necessary for consideration to be given as to whether it is not better for the States to get together and decide by unanimous agreement that it would be desirable for them to have a State form of income tax, instead of all these miscellaneous taxes and charges which they are now forced to levy as a result of their not getting their adequate share of the income tax revenue which is theirs by constitutional right.

It is because the States are not receiving their fair share of income tax revenue that they are forced to use such devices as pay-roll tax. This situation cannot last indefinitely. The time must come when the States in unison must have another look at their situation.

I have said on other occasions, and I say it again, that I believe the States will be forced into having a closer conference—a constitutional council of Premiers if we like—and a closer agreement between themselves to explore the area of having a joint form of State income tax.

I know this creates all sorts of problems; the first and the most obvious that comes to mind is that in the uniform taxing field the States will be formally told by the Commonwealth, "All right, you can do that if you like, but you will lose your reimbursement grants. But the States must be prepared to face this as must the Commonwealth Government. The Commonwealth Government cannot continue to live in an ivory tower and levy income tax, and indeed talk about increasing income tax, and use that tax for purposes which are not the constitutional function of the Commonwealth Government, and yet deprive the States of taxes which are necessary to help them carry out their normal responsibilities in relation to education, health, and so on.

The Hon. T. O. Perry: Does the honourable member think the Commonwealth Government would give a sympathetic hearing at the moment?

The Hon. I. G. MEDCALF: In answer to that question, I do not for one moment think the Commonwealth would give a

sympathetic hearing, any more than it has given a sympathetic hearing previously to a dozen and one other things put to it.

In the long run it is the people of Australia who will decide this question. It may take some time, but in the final analysis the people of Australia will be the judges with regard to whether the Government is carrying out its responsibility. I do think the Commonwealth Government has enough sense, irrespective of its present political colour, to realise that it has to knuckle down to the will of the people. There will come a time when the people will draw the line and tell the Government it is no good, and that it will not be tolerated any longer. The people will eventually tell the Government that it cannot govern the country properly. I believe that unless we get down to tin tacks on this very problem this is what will happen.

It is not sufficient to be forced into the position every year or two, as we now are, of having to put up the pay-roll tax, and other taxes and charges simply because the Commonwealth Government does not accept its proper constitutional role and make money available to the States for their elementary requirements.

For that reason the States will need to have a new look at the whole question of taxation revenue. I do not exclude income tax from that. With those comments I reluctantly support this Bill.

THE HON. R. THOMPSON (South Metropolitan—Leader of the Opposition) [5.32 p.m.]: First of all, I think Mr Heitman should get his facts right. It was not the Australian Government which transferred this iniquitous tax to the States of the Commonwealth; it was the McMahon Government. It was Mr J. T. Tonkin, the then Premier, who, with the other State Premiers, made representation to the Commonwealth for a growth tax. It was the McMahon Government which agreed to the States having this tax made available to them. If I recall correctly, at that time there were two Labor States and four Liberal-Country Party States in Australia, and it was those States which agreed to accept the tax.

The States also agreed to increase the pay-roll tax by 1 per cent, for the reasons outlined by Mr Medcalf, and it was the States that further agreed, in 1973—at a Premiers' conference—to again increase the tax. Likewise, the present increase of $\frac{1}{2}$ per cent was agreed to at a Premiers' Conference.

Never, at any stage, has anybody heard an utterance from a Labor member—whether it be the Premier, a Minister, or any other member—that we like this tax. Nobody has ever said that he liked this tax, any more than did members opposite when they were on this side of the House.

Mr Medcalf has been completely honest and what he said when a similar Bill was last before this House, in 1973, can be found at page 3817 of *Hansard* for that year. His remarks were as follows—

I believe that pay-roll tax is an odious, iniquitous, and diabolical tax. Even Mr Tonkin dislikes pay-roll tax and has said so in unmistakeable terms.

Mr Medcalf continued—

I will not pursue that further because I may be out of order.

Pay-roll tax is a discriminatory tax—

And I ask members to remember that word. To continue—

—in that it discriminates against certain people in the community. Pay-roll tax is taken from the pay-rolls which employers pay to their employees.

At page 3818 of *Hansard* Mr Medcalf, continuing his speech, said—

Pay-roll tax has another important and distressing by-product in that it stifles employment.

Mr Medcalf said it was a distressing situation, and that employment should be created, where possible, at all times. Of course, I agree that this should be the case. However, the situation is that when we levied the last increase we had full employment. We did not like to increase the tax and we did not want to do so but, as I have said, it was a time of full employment.

At the present time, under the Court Government, we have unemployment so that is an argument against what Mr Medcalf said last year. I oppose the Bill at this particular time for one reason only: the extravagant promises made in the Liberal Party policy speech. I would like to be able to see the Budget proposals—as would all members of our party, and particularly our leader, Mr J. T. Tonkin—to see whether part of this money is to be used for the purpose of putting those extravagant policy promises into operation.

I have mentioned these matters previously. It is proposed to introduce a highway patrol which will cost millions of dollars to put into operation when it is finally framed. The proposed new education programme has created quite a furore, particularly at the Teachers' Union conference yesterday. That programme will probably continue to create a furore. Those things were never costed. The present increased tax is to be levied while we have rising unemployment. When we were in Government, and there was rising unemployment, members opposite placed the blame on the Tonkin Government and accused it of mishandling the finances of the State. It is now time to

give a little bit of that kind of accusation back because no blame was attachable, then, to the Commonwealth Government because it was a Liberal Government!

The Hon. N. McNeill: With a 4 per cent inflation.

The Hon. R. THOMPSON: Now all the blame goes to the Australian Labor Government. However, it is up to the Court Government to get off its backside and start to do something. That is the real situation. The Liberal policy, in referring to pay-roll tax, states—

Steps must be taken to moderate the effect of pay-roll tax on the viability of enterprise.

We regret the dependence of State Governments on pay-roll tax, which was transferred from the Commonwealth.

Until the return of Liberal leadership in Federal Government permits a renegotiation of Commonwealth-State financial relations, this tax must continue in the interests of adequate income for State Government.

However, we are prepared to consider selective moderation of the tax, where it can mean the difference between success and failure for the attraction and retention of industries which, in the interests of decentralisation, should be established in country and northern areas and away from the Metropolitan area.

We will introduce special legislation to enable this policy to be implemented.

The Minister made brief reference to the policy in his second reading notes. However, it has to be remembered that the election was held on the 30th March and it is now the 28th August and one would think that the Government would have attempted to do something.

On the 24th October, 1973, Mr Medcalf moved an amendment to the Pay-roll Tax Act Amendment Bill. The amendment appears at page 4285 of *Hansard*, for that year, and reads as follows—

I move that the Assembly be requested to make the following amendment—

Page 2—Add after paragraph (b) the following proviso—

Provided however that the Treasurer for the purpose of encouraging decentralisation of industry and employment may in his absolute discretion after receiving an application from an employer certify as appropriate and allow any lesser rate or rates in respect of wages paid or payable by the employer in relation to work performed in an established place of employment

more than seventy kilometres from the General Post Office, Perth.

Because of the numbers in this House that amendment was carried and transmitted to the Legislative Assembly. It was rejected in that House and the matter rested. No further action was taken. Was that the intention of the Liberal Party at that time, or was it a sham because here is an opportunity for the provision to be included in the legislation? However, there is no sign of such a provision in the legislation. Was that action taken for political purposes at that time, or was it something to be considered in the future? If it was to be considered in the future it is not now referred to in the Minister's second reading notes, although I have not had a great deal of time during which to study them.

The Minister did say—

However, this Government's intention is to carry out the election promise to take legislative action if necessary,—

I ask members to note: "if necessary". To continue—

—to moderate the effect of pay-roll tax in certain cases.

Of course, when we were the Government it was not a case of, "If it were necessary"; it was necessary that we should do it there and then. I also observed in the Minister's second reading notes an admission that in Victoria some concessions are given by way of rebate. However, that is more generous than what we can afford. It can be seen that complete uniformity does not exist between the States on this matter.

I am not at all happy with the provisions of this Bill, for the reasons I have stated. I consider that the Government has had sufficient time to study the measure in the period which has elapsed since the election. When Mr Medcalf moved his amendment last year he had the full support of the members of his party, and the members of the Country Party, in this House. However, we now find that the Liberal Party members and the Country Party members have forgotten about it completely.

The Hon. T. O. Perry: No, they have not.

The Hon. R. THOMPSON: Do not tempt me because I am half inclined to move the same amendment.

The Hon. J. Heitman: It would get about as far as did the last one.

The Hon. R. THOMPSON: As has been stated, it would get about as far as the last amendment because the Treasurer would reject it.

The Hon. Clive Griffiths: But you opposed the amendment vigorously last time it was moved.

The Hon. I. G. Medcalf: The Leader of the Opposition opposed the measure last time.

The Hon. R. THOMPSON: I feel inclined to test the sincerity of members opposite on this occasion.

The Hon. I. G. Medcalf: I challenge the Leader of the Opposition to move the amendment. Are you going to move it?

The Hon. R. THOMPSON: I will make up my own mind as to what I will move.

The Hon. S. J. Dellar: What would be the point in moving an amendment such as that in this House?

The PRESIDENT: It might help the honourable member if he were to address the Chair.

The Hon. R. THOMPSON: Yes, Mr President. During earlier debate, this year, I quoted a number of Liberal Party election promises and, amongst other things, I mentioned what the new style of liberalism stands for. One promise was—

A stop to indiscriminate rises in Government taxes and charges.

I was taken to task when I referred to indiscriminate rises in charges and taxes, but a short while ago I heard Mr Medcalf use similar words which I ask members to note.

The Hon. I. G. Medcalf: I said, "discriminatory", not "indiscriminatory". Read it again.

The Hon. R. THOMPSON: The remark was that pay-roll tax is a discriminatory tax.

The Hon. I. G. Medcalf: Thank you; not "indiscriminatory".

The Hon. R. THOMPSON: The honourable member considers that it is not indiscriminatory?

The Hon. I. G. Medcalf: I did not say, "indiscriminatory"; I said, "discriminatory". Do not use the wrong word.

The Hon. R. THOMPSON: In other words, the honourable member has changed his mind somewhat.

The Hon. I. G. Medcalf: No, you cannot understand plain English!

The Hon. R. THOMPSON: Possibly not in the honourable member's phraseology.

The Hon. I. G. Medcalf: It would be quite obvious to anyone else.

The Hon. R. THOMPSON: It may be to the honourable member. We have never liked this tax—it was a growth tax and the Tonkin Government needed a growth tax. This tax was foisted on us by a Liberal Prime Minister in the Federal Government—and I would like to correct Mr Heitman on this point; it is now called the Australian Government.

At that time four of the States were non-Labor States, and they were told by Mr McMahon that they could take it or get nothing.

The Hon. J. Heitman: He did not say that.

The Hon. R. THOMPSON: That is the factual situation. The States were given the ultimatum: take this as a growth tax or get nothing.

The Hon. J. Heitman: Now you know he did not say that.

The Hon. R. THOMPSON: Well, what did he say?

The Hon. J. Heitman: You were telling us.

The Hon. R. THOMPSON: I know what Mr McMahon said. It is all right for the honourable member to get up and make airy-fairy statements, but if he looks at the Press comments of the time he will see the true facts.

The Hon. A. A. Lewis: That will worry him!

The Hon. R. THOMPSON: None of the Premiers liked accepting the tax.

The Hon. J. Heitman: And I told you that.

The Hon. R. THOMPSON: It was Prime Minister McMahon who said, "You will have this tax if you want a growth tax." Pay-roll tax was handed to the States in 1971. Of course the tax has escalated because, as I said previously, the Premiers agreed to operate on a uniform basis. Do not tell me that Bjeike-Petersen in Queensland would agree to something like this at the whim of the Labor Prime Minister, Mr Whitlam! I am sure he would not, and all Government members know this too. Victoria and New South Wales would not agree to accept this at Mr Whitlam's whim—this action was taken in consultation with the Premiers of the six States of Australia.

I do not like the tax any more than Government members do. This brings me to the other point raised by many members of this House in previous debates; that is, the amount at which pay-roll tax commences to be paid. There is nothing original in these comments. In 1957 the figure of \$20 800 was set as the maximum amount of salaries and wages which the employer could pay before he was expected to pay this obnoxious tax. Mr Medcalf went through an exercise last year and told us how wages and salaries had risen over this period. He suggested that we could multiply that figure by three to give a figure of \$62 400 or thereabouts. He suggested at that time that this figure should be substituted. With the inflation which has occurred in the interim, probably the figure should be about \$70 000 at the present time.

I am not criticising the manner in which Mr Medcalf made his speech, but I do criticise the sincerity of the Liberal Party. When the Tonkin Government introduced legislation to raise pay-roll tax, members of the Liberal Party moved amendments, some of which were carried in this House. Then in its policy speech the Liberal Party told us what it intended to do. However, we see this legislation introduced to Parliament without any investigation whatever. I say this because if the matter had been investigated we should also see complementary legislation providing some protection for small industry, as was pointed out by Mr Medcalf. However, we see nothing of that kind at all. We see the word "if" appearing in the Minister's second reading speech—if it is deemed necessary.

Western Australia has an unemployment problem at the present time, and with this Government in power it will get worse, the unemployment figures will grow. I cannot see why we should foist this extra tax on employers at this time; it will only create more unemployment.

I do not say that the increase is not necessary, and will not be necessary ultimately, but I am not prepared to support this Bill until the Budget has been introduced and we are aware of its provisions.

If we are to believe what the Premier has said from time to time, we can expect some further increased charges in the Budget. He spoke originally of a deficit to the tune of \$47 million, although I understand the latest figure is something like a \$26 million deficit after all the pruning has taken place. I feel that the financial situation should be thoroughly examined, and it is a wonder that the Hon. Clive Griffiths has not asked a few questions since this Government came to power. He asked questions frequently about increased charges under the Tonkin Government.

The Hon. A. A. Lewis: Curly ones that gave you a lot of trouble.

The Hon. R. THOMPSON: The Court Government could be called unique—I do not think any Government which has been in power for such a short period of time—

The Hon. J. Heitman: Has done so much.

The Hon. R. THOMPSON: —has increased so many charges. Already we have seen increases in water rates, battery charges, electricity charges, increases in motorcar and drivers' licenses in the pipeline, and now pay-roll tax.

The Hon. Clive Griffiths: Put things right!

The Hon. R. THOMPSON: Is this putting things right? Is this what the Government's policy means? This would be a Government of broken promises.

Opposition members: Hear, hear!

The Hon. R. THOMPSON: I hope that when I sit down the Hon. D. J. Wordsworth will get up and make the same speech that he made last year—it makes very interesting reading.

The Hon. I. G. Medcalf: I am glad you accepted all the arguments I put up last time.

The Hon. R. THOMPSON: I did not criticise the honourable member's arguments.

The Hon. I. G. Medcalf: It is very good to see your change of attitude.

The Hon. R. THOMPSON: I did not criticise the arguments put forward—

The Hon. I. G. Medcalf: I am glad you accepted them all.

The Hon. R. THOMPSON: —in any shape or form.

The Hon. I. G. Medcalf: In Government you opposed them, and now you approve of them.

The Hon. R. THOMPSON: Certainly I opposed the honourable member's amendment. I am criticising this legislation and the Liberal Party, because if the Liberal Party were sincere it would have included in this legislation the amendment moved by the honourable member last year.

The Hon. I. G. Medcalf: You are putting up all my arguments.

The Hon. R. THOMPSON: Now the Government says that if it is considered necessary it will introduce legislation to this effect.

The Hon. I. G. Medcalf: Good to hear you putting up my arguments!

The Hon. Clive Griffiths: You will also be delighted to know that if I get a chance later on I will ask some questions—you know, when I am ready.

The Hon. R. THOMPSON: Mr Clive Griffiths should ask that question fairly soon or someone else will be asking it.

The Hon. A. A. Lewis: Well, you are copying everyone else's arguments from this side of the House.

The Hon. R. THOMPSON: Anyone with an ounce of common sense would not have to ask how many increases have been levied during the first three months of this Government's term of office.

The Hon. Clive Griffiths: It may not be the same question you would ask.

The Hon. R. THOMPSON: These taxes and charges will go up and up. I do not know how the community will bear all these increases. I do not like pay-roll tax, and I have never met anyone who does. It is an iniquitous tax and it was foisted on us by the McMahon Government.

The Hon. I. G. Medcalf: Then you will be voting against the Bill?

The Hon. R. THOMPSON: My reason for opposition at this stage is purely and simply that I do not want to see all the hair-brained policies of the Liberal Party put into operation by the imposition of greater taxation on the people of Western Australia.

THE HON. R. F. CLAUGHTON (North Metropolitan) [5.55 p.m.]: It is quite evident that my party recognises that State Governments must have pay-roll tax. What we do oppose in this legislation is the provision to increase the tax. Both the speakers from this side have made that perfectly clear. Our objection is that the extra revenue will be used to finance ill-researched and unrealistic policies proposed by this Government in its election campaign.

For instance, when the Minister introduced the Bill he told us—

Every State Premier presented on that occasion a sound case for an increase in general purpose grants to help maintain the existing level of the States' essential community services.

He then went on to tell us of the agreement to increase pay-roll tax. However, he has not told us specifically where the finance gained from this proposal will be spent. The Minister spoke of essential services, but later in his speech he says—

... is evident from the steps that have already been taken in the areas of charges for fares and freights, water supplies, hospital fees, and the like.

In other words, provision has already been made for essential services. So what is left for which the Government will require funds? The only matters left are those Mr Thompson mentioned—the high-way patrol, the pre-school proposal, and the proposal to lower the entrance age to primary schools. These propositions have created a great deal of apprehension throughout the community and many people believe that we do not need these changes, and particularly it is felt that the education proposals are unwise and unsound.

The Hon. A. A. Lewis: Are you sure of your facts? Are you really sure that people think they are unwise? If that is so, their ideas are totally different from those of the people we talk to.

The Hon. R. F. CLAUGHTON: That is the whole problem, is it not?

The Hon. A. A. Lewis: Yes, we have talked to school teachers and they have put forward a series of recommendations.

The Hon. R. F. CLAUGHTON: The whole problem is the so-called experts whom your party consulted.

The Hon. G. C. MacKinnon: Have you read the August issue of *The WA Teachers' Journal*?

The Hon. A. A. Lewis: It is the journal of the State School Teachers' Union, and I recommend that you read page 31 fairly carefully.

The Hon. R. F. CLAUGHTON: They are the experts!

The Hon. A. A. Lewis: No, you say the community is all agin it?

The Hon. G. C. MacKinnon: This is the report of the executive on the proposed age of admission. The article is totally in accord with Liberal Party policy.

The Hon. A. A. Lewis: You can argue with them—you still have half an hour, whiz down to Subiaco Hall and keep arguing with them. You are using fallacious arguments in this place.

The Hon. R. F. CLAUGHTON: The honourable member is attempting to throw a smoke screen over the fact that the people who advised his party in relation to these policies were hardly recognised experts in the field.

The Hon. G. C. MacKinnon: But this is the executive of the State School Teachers' Union.

The Hon. R. F. CLAUGHTON: I am not going to accept the word of the Minister that this article supports his Government's policies.

The Hon. A. A. Lewis: I am not going to accept your word that the community is against our policy.

The Hon. R. F. CLAUGHTON: What is contained in the *Teachers' Journal* is irrelevant.

The Hon. A. A. Lewis: Do you think the Teachers' Union is irrelevant?

The PRESIDENT: I should like to hear something on pay-roll tax.

The Hon. R. F. CLAUGHTON: Thank you, Mr President. I finish my point by saying that the statements contained in the *Teachers' Journal* have nothing to do with the people who frame the policies of the Liberal Party. The whole point to which we are objecting is that additional funds raised by any increase in pay-roll tax may be used for any purpose, and especially for the purpose of implementing Liberal Party policy.

The Hon. A. A. Lewis: You are not sure, but they "may" be.

The Hon. R. F. CLAUGHTON: These unwise policies have been highly objected to by the Teachers' Union and I am sure the same view will be taken by the kindergarten teachers, who as yet have not been asked for their views on Liberal Party proposals in the area of pre-school education.

The PRESIDENT: Are they going to pay pay-roll tax?

The Hon. R. F. CLAUGHTON: Well, their employer will pay pay-roll tax.

The Hon. G. C. MacKinnon: I spoke to pre-school teachers two weeks ago.

The Hon. R. F. CLAUGHTON: To the Teachers' Union?

The Hon. G. C. MacKinnon: No, to the trainee teachers over at the training college.

The Hon. R. F. CLAUGHTON: That is, the Minister spoke to the students; is that correct?

The Hon. G. C. MacKinnon: Yes.

The Hon. R. F. CLAUGHTON: Has the Minister canvassed the views of the teachers in the field?

The Hon. G. C. MacKinnon: A man must wait until he is asked, I guess.

The Hon. R. F. CLAUGHTON: It would have been considerate, if nothing else, to have asked the teachers what they felt about the proposals of the Government in the field of education.

The Hon. G. C. MacKinnon: I have sent them a copy of the recommendations and have invited them to express an opinion.

The Hon. R. F. CLAUGHTON: That is very kind of the Minister.

The Hon. A. A. Lewis: The whole community is up against this.

The Hon. R. F. CLAUGHTON: We are being asked to make a decision to increase pay-roll tax—a tax which members opposite have admitted is inflationary, unfair, unjust, and discriminatory. Yet the speech of the Minister contained nothing which would assist us in arriving at a decision. Apart from the raw amount that is hoped to be gained—\$6 million in a full year—no indication has been given as to precisely in what direction these funds will flow. Why, precisely, are we to increase pay-roll tax? Is such an increase really necessary? This is the sort of information we require and I would appreciate it if the Minister were able to convey it to me. How far does the Government intend to persist with its policies in respect of the highway patrol and of education? What extra costs will be involved in the implementation of these proposals?

The Hon. N. McNeill: What say we just start with the deficit?

The Hon. R. F. CLAUGHTON: As these policies will not really benefit the community at large, can we not just forget about them and maintain the tax at its present level?

The Hon. N. McNeill: Do you not think we should try to finance the deficit?

The Hon. R. F. CLAUGHTON: I do not know what is the Minister's trend of thought, but if the deficit is caused by the purchasing of land and the building of so many more high schools in order to carry out Liberal Party policy, I am against it.

The Hon. N. McNeill: You must be joking!

The Hon. V. J. Ferry: Are you against progress in education?

The Hon. R. F. CLAUGHTON: Progress is a very ambiguous word. If progress is to send 11 or 12-year-olds to high schools, it is not a definition I would use.

The Hon. N. McNeill: Did it occur to you when I referred to a deficit that I was talking about a Consolidated Revenue Fund?

The Hon. R. F. CLAUGHTON: The Minister has not told us where these additional funds will be directed and for what purpose they are to be raised and therefore he cannot seriously expect us to support these proposals. It was interesting to hear the remarks of Mr Medcalf, who challenged Mr Thompson to introduce the amendment which Mr Medcalf previously proposed when a similar Bill was before this Chamber.

The Hon. I. G. Medcalf: Why is that surprising?

The Hon. R. F. CLAUGHTON: The honourable member has had his chance to talk; he has been up on his feet already.

The Hon. I. G. Medcalf: Yes, but you were commenting about me.

The Hon. R. F. CLAUGHTON: Mr Medcalf gave no indication as to whether he would move the amendment himself.

The Hon. I. G. Medcalf: Why do you not move it?

The Hon. R. F. CLAUGHTON: The honourable member has had his turn. I would suggest to him that he is not going to move the amendment because he is tied and bound by his party. He will not be allowed to move the amendment, no matter how hard he might argue in favour of it.

The Hon. I. G. Medcalf: You will have to move it yourself.

The Hon. R. F. CLAUGHTON: I am not going to move it.

The Hon. I. G. Medcalf: That surprises me after what you have been saying.

The Hon. R. F. CLAUGHTON: The honourable member wants me to do the job which he had set himself to do.

The Hon. I. G. Medcalf: No, I am challenging you to move it.

The PRESIDENT: Order! I am going to move until 7.30.

Sitting suspended from 6.06 to 7.30 p.m.

The Hon. R. F. CLAUGHTON: Prior to the tea suspension I was saying that we were opposing the increase in the pay-roll tax. In support of that argument I made reference to the policies of the present Government in relation to education. In particular, I made reference to the earlier age of commencement of primary education, and also of high school education. By

interjection some reference was made to the conference of teachers. I would like to refer briefly to *The W.A. Teachers' Journal* of the 1st August, 1974.

The PRESIDENT: That would be in order if the honourable member could connect his remarks with the Bill.

The Hon. R. F. CLAUGHTON: That is what I shall be doing. Page 31 of that journal contains a recommendation in relation to the proposals on pre-school education. This is one of the areas in which the additional funds that will be raised through the pay-roll tax may be spent.

The third recommendation is as follows—

That Conference approve research by the Union into experience elsewhere (including, for example, other Australian States and the United Kingdom) re early childhood education, and Conference further approve that in the meantime the Union oppose any moves to implement the policies of the State Government in this area of education.

I now wish to refer to a report which appeared on page one of today's *The West Australian*. This report supports further my argument that the policies of the Government are unwise, and will in fact bring about greater expenditure. That is a reason the policies should not be implemented; and if they are not the Government will not be obliged to raise additional funds.

The report appears under the heading of "Teachers to bar pupils under five". It indicates that the Teachers' Union has in fact adopted a recommendation that it will oppose the policy to admit to primary schools, five-year-olds who are not at present entitled to be enrolled. If the Government attempts to implement its policy the teachers may strike.

The Hon. Clive Griffiths: You have a pretty vivid imagination if you can connect what you are saying with the contents of the Bill before us.

The Hon. S. J. Dellar: That is not for Mr Clive Griffiths to decide.

The Hon. Clive Griffiths: I want to listen to something that is connected with the Bill.

The Hon. S. J. Dellar: The honourable member is doing what every other Government member has been doing; that is, to talk about everything under the sun.

The Hon. Clive Griffiths: What he has to say may have a very big bearing on the matter.

The PRESIDENT: I would be obliged if the honourable member connects his remarks with the subject matter before the House; that is, the Pay-roll Tax Act Amendment Bill.

The Hon. R. F. CLAUGHTON: I was trying to get a word in above the interjections. We can see there is greatly confused thinking on the part of members of the Government parties in relation to this question. It is obvious they do not understand what has been put before them, when they say that the teachers support the admission of children at an earlier age to primary schools. Certainly the teachers do not. The recommendation carried at the conference of teachers is against that policy.

In this area of education there is great objection to the Government policy; this is an area where the Government can bring about a reduction in expenditure. I have made reference to these matters in response to some interjections that were made previously. I conclude by referring to the remarks made by Mr Medcalf. I regret that he is not in the Chamber at the moment.

The Hon. G. C. MacKinnon: He is busy elsewhere on his parliamentary duties.

The Hon. R. F. CLAUGHTON: I shall not add to my remarks on that score. I would have liked Mr Medcalf to be present. As I said previously I am sure Mr Medcalf will not move the amendment which he moved on a previous occasion, because he is bound by his party to support the proposal of the Government. If he wants to show that he has independent thinking and is not bound by his party, then the opportunity will be given to him in the debate on this Bill to back up the statements he made on previous occasions. I regret that he is not in the Chamber. I would challenge him to back up his statements.

THE HON G. C. MacKINNON (South-West—Minister for Education) [7.35 p.m.]: It always amuses me when I hear people talk about good taxes and bad taxes. I suggest there is no such thing as a good tax. One would hope that as a result of this measure the moneys raised by this tax will be good, and be put to a good purpose.

Mr Claughton used some examples to illustrate that this is a bad tax, by his attempt to highlight a myth that a particular policy which has been espoused is a bad policy. He made some reference to the proposal for applying Statewide a pre-school education experience to the children through the Education Department; and he said this was bad expenditure by the Government.

In reply to that remark I would ask the honourable member to visit Canberra and argue with the leader of his party, Mr Whitlam; because on the very day that Mr Whitlam spoke about the evils of inflation he said that he had no intention whatsoever of curtailing the finance that is made available to the various States in order to extend the pre-school experience of every child in the country.

The PRESIDENT: Order! Will the Minister please talk about the pay-roll tax.

The Hon. G. C. MacKINNON: Yes, I will. There is some fear that in this regard, as in so many other ways, the Commonwealth Government has not lived up to its promise to provide the money that is needed by the States, and as a result the States are forced to introduce taxing measures such as the Pay-roll Tax Act Amendment Bill, in order to raise funds.

Mr Claughton went on to say that the Teachers' Union was opposed to the implementation of the Government's policy. He gave a reason to indicate that the pay-roll tax is a bad tax by saying some of this money might be spent on the implementation of that policy. I would point out that the money might also be spent on the payment of increased salaries to his colleagues, the school teachers.

The Hon. R. F. Claughton: Why did you not tell us and give us the information?

The Hon. G. C. MacKINNON: Some of this money might well be spent in that way.

The Hon. R. F. Claughton: Why not tell us?

The Hon. G. C. MacKINNON: Because I do not happen to be the Treasurer of the State.

The Hon. R. F. Claughton: It seems you do not have any information.

The Hon. G. C. MacKINNON: Mr Claughton does not have a clue as to why the Teachers' Union is opposed to this. Probably the only person in this Chamber who knows for sure is myself, because I have met a deputation from the Teachers' Union and I have been told why the union is opposed to it. There is no reason to say that the teachers think it is a bad tax. I have before me a report of the recommendations of the executive committee of the Teachers' Union. It believes that the implementation of the pre-primary school situation under the Education Department on school grounds should be put into effect forthwith as a matter of urgency. That is printed in *The W.A. Teachers' Journal*.

The Hon. R. F. Claughton: Is that in the recommendations?

The Hon. G. C. MacKINNON: The recommendations have to be read to be believed, because they have a bearing mainly on the fact that I did not ask the Teachers' Union to nominate a person to be appointed to the advisory committee. If some of the money to be raised by the pay-roll tax is spent on the pre-school education scheme, then according to the committee appointed by the executive of the teachers on the proposed alteration to the age of admissions to school this is a first-rate proposal.

The Hon. R. F. Claughton: They consider that more research into this question should be carried out.

The Hon. G. C. MacKINNON: The honourable member should read the recommendation. If he did he would be able to get away from the narrow-minded point of view he has exhibited.

The Hon. R. F. Claughton: You will not tell us where the money is to be spent.

The PRESIDENT: The Minister for Education has the floor, and Mr Claughton has already made his second reading speech.

The Hon. R. F. Claughton: I am sorry, Mr President.

The Hon. G. C. MacKINNON: It was a pretty poor contribution, but Mr Claughton has an opportunity to make a better one by interjections. I know that you, Mr President, will not allow such disorderly conduct. The money to be raised from the pay-roll tax will be spent on increased salaries for civil servants and teachers, and in a hundred and one different ways. Having missed the opportunity in the debate on the Supply Bill and the Address-in-Reply, Mr Claughton has had to wait some time to refer to the resolution passed at the conference of teachers. He is taking this back-door method of attacking the Government's policy.

I admire the tolerance that you, Mr President, have exhibited in this debate. I am talking about the pay-roll tax, and the way in which the funds are to be spent. No-one can say for sure whether this money will be spent in this way or in that way, because the Government does not operate like the grandfathers of some of us did by placing tins on a shelf bearing labels such as "Butcher's bill", "Baker's bill", and so on.

I challenge Mr Claughton or any other member to debate whether it is advisable for the Government to spend some of the pay-roll tax in giving the children of this State a pre-school education experience. I have as complete justification for my stand the fact that no Government in Australia in facing recent elections has failed to promise to introduce a pre-school year for every child in the country. I know of no Government which has not researched the matter sufficiently; they all know that funds raised under the pay-roll tax, or for that matter any other funds, will be well spent for the purpose I have enumerated.

I would draw the attention of Mr Claughton to the remarks of his own leader, Mr Whitlam, who made no bones about that fact. I can also quote to him the remarks of the Federal Minister for Education (Mr Beazley) who also made no bones about that fact; it is that money so spent would be wisely spent. Indeed, they have promised to spend it in that manner.

The Hon. R. F. Claughton: They have not followed a policy like yours.

The Hon. G. C. MacKINNON: If pay-roll tax funds are to be spent on giving children a pre-school educa-

tion experience for one year before they normally attend school, then it does not matter whether the institutions where they are taught are erected on or off school sites. What matters is the curriculum, the way they are taught, and the underlying philosophy.

I challenge Mr Claughton to prove in any way that the standards which have been recommended to me and which I have every likelihood of accepting will be different from those ideals laid down for the pre-school education of young children. That being so, if the pay-roll tax is spent on that, it will be a jolly good thing. I am quite sure Mr Whitlam would be delighted. On the other hand, if it is spent on giving increased salaries to school teachers and Mr Beazley agrees that he will fund the scheme as he has done in Queensland, then that will be a very good thing.

The Hon. R. F. Claughton: The pay-roll tax will not be spent on that because you will get it from Federal funds. How about justifying the increases?

The Hon. G. C. MacKINNON: I do not know on what it will be spent. It could well be spent in assisting local government of which Mr Claughton was a member for a while. He has had an extremely varied career and he has been on a local authority. He therefore knows that local authorities are funded from various sources. Maybe they will get the \$6 million to distribute amongst themselves.

We do not put little tags on the dollars as they come in, so of course the whole argument he submitted is extremely fallacious. Mr Claughton, along with every other member in this place, is constantly asking for better standards of services, and better education, hospital care, roads, libraries, and more industrial commissions, all of which cost money.

We may deplore the pay-roll tax; nevertheless so long as people want these things we must provide the taxes; and every Government has found this to be so. I have no doubt that Mr Thompson in the years prior to his taking his present position shuddered every time he went to Cabinet and heard there was to be an increase in some charge. Yet, like a good Leader of the Opposition, he performed magnificently tonight. We all knew how he felt when he tried to defend it last year and we all know how he felt when he attacked it tonight; because let us face it, no member likes the tax.

The Hon. R. Thompson: I did not speak on it last year.

The Hon. G. C. MacKINNON: I am referring to the time the Leader of the Opposition did speak. For Mr Claughton to take this opportunity to attack the pre-primary school centre scheme in the schools of this State in such a half-baked

fashion is not a very parliamentary way of performing. If he wants a full-scale debate let him move a motion. If the honourable member wanted me to have the opportunity to answer his queries properly why did he not raise the matter on the Address-in-Reply debate? I came in in all innocence to hear the honourable member speaking about the four-year-old-plus children getting a year of pre-school education.

The Hon. A. A. Lewis: And the whole community being against it.

The Hon. G. C. MacKINNON: Yes. I had a quick look at the notice paper and then I heard you, Mr President, ask the honourable member to connect his argument to the pay-roll tax legislation and I realised then he was using this roundabout opportunity to have a bit of a crack at the school system in the belief that he could prevent my putting him straight.

The PRESIDENT: Perhaps I should make the same comment again.

The Hon. G. C. MacKINNON: All I wanted to do was to point out to members that they should carefully read pages 30 and 31 of *The W.A. Teachers' Journal* of August, 1974. I also wish to reiterate that, much as I dislike the pay-roll tax—and I spoke against it from the Opposition side of the House previously—I was quite convinced—and I agree with Mr Thompson on this—that it was very much of a take. I agree with the Leader of the Opposition on that point. Nevertheless, as he himself asked: What do we do? Federal Governments certainly go from bad to worse and we are really in the slough of despond now.

The Hon. R. Thompson: The next one will be a bad one then.

The Hon. G. C. MacKINNON: The next one will come good because it will be a Liberal Government for sure. We will have Liberals in for sure for 23 years, thank goodness.

The PRESIDENT: Order! Will the Minister please get on with the tax Bill?

The Hon. G. C. MacKINNON: It will take the Liberals that long to get the country out of the mess in which the present Government in Canberra has put it. We will then be able to get a proper allocation of Federal and State finances in order to avoid tiddly taxes like this one.

Even if the money is spent as Mr Cloughton seems so sure it will be spent—he seems to think we will put it in a special little bag and spend it on pre-school children—I assure members it will be money jolly well spent and the parents and children in this State will benefit from it.

THE HON. W. R. WITHERS (North) (7.51 p.m.): I will be very brief on this measure. As members are aware, when the pay-roll tax was increased last time,

I was very much in favour of an amendment because of the requirements of decentralisation. I think Mr Medcalf moved the amendment and I supported him. With that in mind, on the 9th June, 1974 I wrote the following letter to Sir Charles Court as Treasurer—

Dear Sir Charles,

Re., Foreshadowed increases to Pay-roll Tax.

Your comments on Mr. Whitlam's attitude at the State Premier's Conference showed the need for increased taxes.

In previous correspondence I have shown the effect of inflation which has forced some small companies into the eligibility bracket for the payment of payroll tax without any increases in staff or productivity.

Mr. Whitlam's actions have increased the disparity between country and city people. Any increases in payroll tax will increase the disparity further. This has been explained during our unsuccessful amendment debates during the Payroll Tax Amendment Bill introduced by the Tonkin Government.

To off-set the disparity increase for the small employers, I suggest that an inflation factor should be added to the existing eligibility figure as previously suggested. To this figure we should add further amounts for Commonwealth Taxation Zones A and B so as to expand the eligibility figure within those zones.

Unless this action or similar action is taken, we will not be able to support decentralisation policies for small industries.

Your consideration of this proposal in any future legislation would be appreciated.

Yours sincerely,

In reply, on the 19th August, 1974, Sir Charles wrote as follows—

Dear Mr. Withers

I have delayed answering your letter of the 9th June until I had further information on the actions we may be able to take in encouraging decentralisation by moderating the effect of pay-roll tax.

Your suggestion of increasing the general exemption by the application of a formula containing escalations of an inflationary factor and taxation zones would certainly provide a benefit to all taxpayers and to those in the zones to an even greater degree.

Unfortunately, any large reduction in revenue from pay-roll tax would have to be replaced together with an additional sum, which you will note

from recent press announcements is substantial, to meet the inescapable community needs which a Government must finance. In plain terms there is simply no scope to adopt your proposal and, therefore, I regret that, at present, no action of this kind can be taken.

However, currently an examination of ways of providing assistance for decentralising industry by moderating the effect of pay-roll tax, is being undertaken and I hope to be in a position to give some details of the proposals when introducing the budget for this year.

Yours sincerely

As I said when I commenced to speak, on the last occasion that the pay-roll tax was increased by the Tonkin Government, I supported an amendment. However, because I had a responsible attitude, when I realised that the State was not in any position to accept the amendment I voted for the Bill. All members of this House who voted for the measure—and I was included as was every other Liberal and Country Party member in the House—adopted a responsible attitude. We knew that the Government just would not have sufficient funds without an increase in pay-roll tax and because we took that responsible attitude at that time—

The Hon. R. Thompson: We had a responsible Government then living within the framework of its policies and finances; not like this Government.

The Hon. W. R. WITHERS: In my first speech in the House this year I said that this was a House of Review, and when I mention the Tonkin Government, the Court Government, or the Whitlam Government, I am not playing party politics. I am merely making a statement of fact. I will therefore ignore interjections which try to draw me into a party-political battle in this House—a House of Review.

I must agree with Mr Medcalf that we were responsible then and we should be responsible now. Like Mr Medcalf, I too reluctantly support the legislation.

THE HON. D. J. WORDSWORTH (South) [7.56 p.m.]: I admit that I did not intend to contribute to the debate this evening, but the Leader of the Opposition was kind enough to refer to the brilliance of my six-minute speech of last year and I felt he challenged me to draw attention to some of the points I made on that occasion. I must admit that many of them are applicable today. Less than 12 months ago I made that speech, and we all know the effect of inflation on industry today. I will read one of the sentences because it is interesting.

The Hon. R. Thompson: I bet you have forgotten what you said.

The Hon. D. J. WORDSWORTH: The following is to be found on page 3820 of *Hansard* of 1973—

The recent shearing rate increase implemented on September 3, combined with the Autumn increase in March, the National Wage increase in May, the 1% pay roll tax and the increase in wages for wool classers to have been implemented on September 17, means that the total shearing cost of 49c per sheep in 1972 has now increased to approx. 69c per sheep.

Is that not amazing? That was only 10 months ago. What do we find it is today—\$1.05 a sheep, if we are very lucky. I pointed out at that time that the 20c increase involved \$3 million. Now we have gone up to \$10 million. I thought the interesting thing I said at that time was—

It is very fortunate indeed that we have good wool prices today; the industry has the ability to pay.

We are not in such a fortunate position today. We have rampant inflation on the one side and reduced prices on the other.

The Hon. H. W. Gayfer: You have guaranteed recession prices.

The Hon. D. J. WORDSWORTH: Now we have an added difficulty. Not only do we face the problem of inflation, but we have a Government which has virtually said that it does not believe the wool is worth what the woolgrowers are trying to get for it and therefore it will reduce the price. That is exactly what it has done and I am fearful of what will happen when the wool auction system when the sales commence next week.

The increase in pay-roll tax will not help. It is unfortunate that this Government has found it necessary to increase the tax yet again. However, when one hears of the difficulties facing the States in meeting their budgets and in having to find matching money to qualify for Federal grants, we realise that something must be done. The States also have been caught up with inflation. Unfortunately, unlike the Federal Government, the States do not have any other growth tax except this one, so this is the only one which can be increased in this way. I am disgusted with this but I do not want to see the State go broke, which is surely what Mr Whitlam is trying to bring about.

The Hon. R. Thompson: I knew you would blame him.

The Hon. D. J. WORDSWORTH: I would like to think this was going to stop but at least it will indicate the States have done their best in the difficult situation in which they have been placed.

I will be reluctantly supporting this legislation.

THE HON. N. McNEILL (Lower West—Minister for Justice) [8.01 p.m.]: I would like to thank members for their contributions to the debate. I note that the Leader of the Opposition and members of the Opposition, generally, intend to oppose the Bill.

One thing which can be said to be common to all the contributions to the debate tonight is the opposition which has been expressed to the measure itself—firstly to pay-roll tax, and secondly to the necessity for an increase. It can be said that I share that view. In fact, I think that in my second reading speech I expressed objection, as did other members, to the necessity for this imposition. However, it is an inescapable situation in which we find ourselves.

I have given a good deal of thought to the matters raised by members, and particularly by members of the Opposition, with a view to making some comments by way of reply, though I have some difficulty in finding what I consider to be positive points. It seems to me the opportunity has been taken once again to canvass the Government's election promises and the extent to which this tax—

The Hon. R. Thompson: No—its extravagant promises.

The Hon. N. McNEILL: I know that word was used by the Leader of the Opposition but it was not necessarily used by other members of the Opposition. On my interpretation of it, they were critical of the policies which would incur considerable expenditure and they thought this tax was a means of financing those promises.

Surely the House recalls that when speaking on another measure I made the point—I thought fairly clearly, if not quite clearly—that we are faced with a deficit situation which is not confined to the present Government but has existed with previous Governments in this State; it was faced by the Tonkin Government. I do not want to argue the point on that. We are in a deficit situation. We were in a deficit situation even before the State elections and even before the election promises had really been made public, and certainly before there had been any opportunity for their implementation. The increased tax provided in this measure has little to do with those election promises. It is a matter of financing the State services.

Several members of the Opposition have said the House should be given an explanation of how the money will be spent. I do not know whether that comment arises out of a degree of ignorance of the budgetary situation. How is it ever possible to say that money raised by a particular method will specifically be applied to a particular item?

The Hon. R. Thompson: You are putting up so many charges and taxes that it is reasonable to ask why the increases are necessary—

The Hon. Clive Griffiths: We have "Tonkinitis".

The Hon. R. Thompson:—unless you are going to put your extravagant promises into effect.

The Hon. N. McNEILL: I thought it had been explained previously that the charges were forced upon us by the Whitlam Government.

The Hon. S. J. Dellar: Your promises are the direct result of three years of inquiry.

The Hon. R. Thompson: You were going to stand up to Canberra—Liberal leadership and all that guff.

The Hon. N. McNEILL: We will stand up to Canberra to the extent that we can demand and extract a fair share of the finances of this country—a fair and equitable share of the income tax revenue of this country. Members of the Opposition may guffaw at that statement but they are as well aware as I am of the statement of the Prime Minister at the time of the Premiers' Conference. Mr Claughton made some comments about the education policy.

The Hon. R. F. Claughton: The word "deficit" is not used once in the speech.

The Hon. N. McNEILL: The Prime Minister has said, "If you want the money for certain tied grant purposes—education, for instance—the funds are available; but if you want the money for other general revenue purposes the funds are not available. Go back and raise your charges and taxes."

The Hon. R. F. Claughton: And you have raised your charges. What is this for?

The Hon. N. McNEILL: We have had to respond, and we have advised the Prime Minister that we have taken the action he told us to take, as the other States have done.

The Hon. R. F. Claughton: But you have raised all the charges. How do you justify this increase? There are no figures anywhere to justify it.

The Hon. N. E. Baxter: It is only a fraction of the wage increases we are up against.

The Hon. N. McNEILL: I do not know whether to take Mr Claughton seriously.

The Hon. R. F. Claughton: You do not expect me to take you seriously, after the speech you made when introducing this Bill.

The Hon. N. McNEILL: If the honourable member cannot understand the situation—

The Hon. R. F. Claughton: Go through your speech and make it clear.

The Hon. N. McNEILL: This will be the third or fourth second reading speech the honourable member has made. I suggest he let me make mine.

The PRESIDENT: Order! The Minister for Justice has the floor.

The Hon. N. McNEILL: Is the situation any different in relation to the introduction of this Bill? It provides for a smaller increase in the rate than did the last Pay-roll Tax Act Amendment Bill. The increase is $\frac{1}{2}$ per cent. In the economic situation we are faced with, are we to be subjected to criticism for that, if the financial situation was so much better in previous years? This year we have increased the tax by only $\frac{1}{2}$ per cent. That in itself is bad enough, and I do not want to repeat my sentiments about it. But members of the Opposition have demanded to be told how this money will be spent. The money will be spent on Government services in order to make up some of the leeway in a deficit situation. Among other things, Mr Claughton referred to expenditure on high schools and matters of that sort. Quite clearly he does not understand the situation because he was talking nonsense.

The Hon. R. F. Claughton: I am prepared to listen to argument.

The Hon. N. McNEILL: He ought to know, on the question of finances, that school buildings and capital works are not paid for out of the Consolidated Revenue Fund but out of the loan programme.

The Hon. R. F. Claughton: You have not given any figures.

The PRESIDENT: Order! Would the Minister kindly resume his seat for a moment?

Honourable members, interjections are out of order so far as our Standing Orders are concerned but I am one who considers that interjections can at times be quite helpful to the argument and the debate. However, repetitive interjections are quite out of order and I do wish members would try to desist from making them.

The Minister for Justice.

The Hon. N. McNEILL: Thank you, Mr President. I continue with the observation that the works to which Mr Claughton referred are financed out of the loan programme and not out of Consolidated Revenue. Therefore, they have no relevance to this particular measure except that the State carries a deficit. As it is regretfully destined to carry a considerable deficit, how is the deficit to be financed? Are we to resort to raising funds under a loan programme which, it will be appreciated, may once again place us in an embarrassing financial situation? That is the only possible connection between his comments and this particular Bill, and I do not intend to say anything further about what I regard as quite irrelevant remarks.

However, it is necessary for us to get things into perspective. Last year the Tonkin Government brought in similar legislation providing for an increase of 1 per cent. An amendment was moved in a particular manner in this House in relation to the decentralisation of the rebates. Here is a strange thing. We have a Bill which is virtually identical with the last one except for the rate of increase. When in Government last year, members of the Opposition were all for it, but apparently they intend to oppose the Bill this year although the only difference is that the Bill now before us provides for an increase of $\frac{1}{2}$ per cent as against 1 per cent last year.

Let me refer to a newspaper item in *The West Australian* of the 30th June last year, under a large headline reading "States facing tough times". It was a report from E. A. Barker under a Canberra dateline. It referred to a Premiers' Conference, and of course the pay-roll tax came in for a mention. It is interesting to read what the then Premier (Mr J. T. Tonkin) said he thought about that particular conference. The item says—

The W.A. Premier, Mr Tonkin, would not speculate today on the possibility of increasing other taxes and charges in the State Budget.

He said that this would be the subject of a thorough examination by the W.A. Treasury.

But it seems certain that the Treasury will have to look closely at increasing railway freight charges, bus fares, country water supply charges and some other charges to meet a budget deficit that could be as high as \$30 million.

It became clear tonight that the Federal Government would also increase indirect taxes in the Federal Budget to be brought down by the Treasurer, Mr Crean, on August 21.

Elsewhere the item refers to the pay-roll tax and, particularly, to something which would have offset the necessity for an increase in pay-roll tax this year; that is, the additional \$3.5 million grant. It says—

Mr Tonkin succeeded in persuading the Commonwealth that special revenue assistance of \$6.5 million paid to W.A. in 1972-73 would be paid in 1973-74.

Under an arrangement with the Gorton Government in 1970, the \$6.5 million was due to be reduced to \$3.5 million in 1973-74.

The \$6.5 million includes a \$3.5 million non-recurring grant provided at last year's Premiers' conference.

Mr Tonkin wanted the \$3.5 million to become permanent and the \$6.5 million to be incorporated in the 1972-73 base on which the State's grants for 1973-74 are calculated.

We know what has happened to the \$3.5 million, of course. We will not get it. Had we got it, perhaps there would not be the same necessity for the increase provided for in this measure. Further on the item says—

He acknowledged that W.A. faced a big deficit, but he said the increase in payroll tax and the decision allowing W.A. to keep \$3 million it otherwise would have lost would ease the revenue situation.

That paints the picture of a financial situation which is quite different from the one in which we find ourselves this year.

The article also quoted some comments of the Labor Premier of South Australia in relation to the Commonwealth Government. Perhaps it might be as well for me to make an observation about that. The same Press article of the 30th June, 1973, states—

However, his Labor colleague, Mr Dunstan, of South Australia, was clearly unhappy about the new style of conference at which Mr Whitlam had refused to budge on States' demands.

Mr Dunstan said: "You could say my relations with the Commonwealth are a bit strained."

Mr Dunstan said the States had been forced into the position of increasing taxes and charges that contributed to inflation.

Mr President, I do not wish to enlarge upon the subject to any greater extent. I believe the need for this measure is well and truly appreciated. I do not blame members of the Opposition for using this opportunity to criticise and attack the Government, because surely that is their role. I do not hold that against them. However, let us make clear that the necessity leading to the introduction of this measure was one in respect of which we had little or no choice at all. If it is our responsibility—and I believe it is—to endeavour to keep up the services of government, then there is a necessity to use this and such other means as may be available to us to supplement the funds of the State. I am sure the people want to retain the services of government and to maintain them at least as good as, if not better than, they are at present. If that is to be the case, clearly the State must have revenue, and this Bill is a means by which we hope to maintain the level of services.

Question put and a division taken with the following result—

Ayes—17

Hon. C. R. Abbey	Hon. M. McAleer
Hon. N. E. Baxter	Hon. N. McNeill
Hon. G. W. Berry	Hon. I. G. Medcalf
Hon. H. W. Gayler	Hon. T. O. Perry
Hon. Clive Griffiths	Hon. J. C. Tozer
Hon. J. Heitman	Hon. W. R. Withers
Hon. A. A. Lewis	Hon. D. J. Wordsworth
Hon. G. C. MacKinnon	Hon. V. J. Perry
Hon. G. E. Masters	(Teller)

Noes—7

Hon. D. W. Cooley	Hon. R. Thompson
Hon. S. J. Dellar	Hon. Grace Vaughan
Hon. Lyle Elliott	Hon. R. F. Claughton
Hon. R. T. Leeson	(Teller)

Pairs

Ayes

Hon. I. G. Pratt
Hon. R. J. L. Williams

Noes

Hon. D. K. Dans
Hon. R. H. C. Stubbs

Question thus passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by the Hon. N. McNeill (Minister for Justice), and passed.

BILLS (4): RECEIPT AND FIRST READING

1. Traffic Act Amendment Bill.

Bill received from the Assembly; and, on motion by the Hon. N. E. Baxter (Minister for Health), read a first time.

2. Hire-Purchase Act Amendment Bill.

Bill received from the Assembly; and, on motion by the Hon. G. C. MacKinnon (Minister for Education), read a first time.

3. Plant Diseases Act Amendment Bill.

4. Town Planning and Development Act Amendment Bill.

Bills received from the Assembly; and, on motions by the Hon. N. McNeill (Minister for Justice), read a first time.

WEIGHTS AND MEASURES ACT AMENDMENT BILL

Second Reading

THE HON. G. C. MacKINNON (South-West—Minister for Education) [8.27 p.m.]: I move—

That the Bill be now read a second time.

This Bill proposes the deletion of section 20 and Schedule D which determine the weight of the bushel for the articles listed in the schedule. These references are now obsolete for the reason that four grain and seeds Acts were amended in 1973 to express terms in metric units. Payment to the grower is now on the basis of per tonne as are storage and handling charges. We deal now in tonnes and kilograms.

Crown Law advice is to the effect that the deletion of section 20 and the schedule will not affect contracts currently in existence.

Section 21 protects the purchaser in requiring the net weight of measure to be observed, it being an offence to sell "gross". Subsection (5) defines the gallonage of the accepted bulk containers for beer, ale, porter, and stout. These again are obsolete and are being replaced by a table setting out in litres the volume of containers currently in use.

Members will note that three of the vessels—that is, hogshead (52 gallons), barrel (35 gallons), and half-hogshead (26 gallons)—have been discarded as they are no longer used in the industry. However, they are still Commonwealth legal units of measure although their deletion as such could occur by the end of 1975.

It is proposed to retain the expression "kilderkin", in a descriptive sense as requested by the industry. It is a Commonwealth legal unit of measure and the rounded converted expression for contents in litres merely provides a permitted tolerance for filling the container and the sale of the contents.

Clause 5: Section 29 requires that every weight, measure and weighing or measuring instrument used for trade shall be verified and stamped every two years and if required shall be produced at the office of an inspector for that purpose.

There is a proviso, however, in subsection (2) which enables the Governor by regulation to exempt under prescribed conditions such inspection where weights or weighing instruments are situated at a greater distance than 20 miles from the office of an inspector. In this matter the Bill merely converts this mileage to metric figures; that is, 30 kilometres. I commend the Bill to the House.

Debate adjourned, on motion by the Hon. D. K. Dans.

OFFICIAL PROSECUTIONS (DEFENDANTS' COSTS) ACT AMENDMENT BILL

Second Reading

THE HON. N. McNEILL (Lower West—Minister for Justice) [8.29 p.m.]: I move—

That the Bill be now read a second time.

The Official Prosecutions (Defendants' Costs) Act, 1973, includes a discretionary saving provision, section 6, in that a defendant is not entitled to costs if the charge is dismissed under section 669 of the Criminal Code or section 26 of the Child Welfare Act.

Attention has recently been drawn to other relevant sections of Acts which are considered to be of a comparable nature as to also warrant their inclusion in that saving clause.

The Bill has been prepared to amend section 6 of the Official Prosecutions (Defendants' Costs) Act, 1973, to provide for those inclusions of which I gave the following comments.

Section 34 of the Child Welfare Act applies where a child is found guilty of an offence punishable by imprisonment, and section 34B of that Act applies where a child is found guilty of an offence which is not punishable by imprisonment.

Under paragraph (b) of section 34 and paragraph (a) of section 34B the court is empowered to dismiss the charge if the parent, in accordance with the Court's order, gives security for the child's good behaviour. Under paragraph (c) of section 34 and paragraph (b) of section 34B the court is empowered to dismiss the charge if a near relative undertakes to punish the child.

It is considered that under such circumstances an accused should not be entitled to costs as of right.

Section 137 of the Police Act states—

A justice or justices shall not be bound to convict if the offence proved shall, in the opinion of such justice or justices, be of so trivial a nature as not to merit punishment.

It could be argued of course that, if the offence were too trivial to merit punishment, the charge should not have been brought and the defendant should therefore be entitled to his costs.

On the other hand the trivial nature of the offence may not have been apparent before the trial and the prosecution may have acted reasonably in bringing the charge.

On balance it is also considered that in this case an accused should not be entitled to his costs as of right and that section 137 of the Police Act should be included in the discretionary award of costs section.

Subsection (1) of section 16 of the Education Act makes it an offence for a parent to fail to cause his child to attend school, but under subsection (1a) of that section the court may refrain from recording a conviction if the parent gives security for the child's regular attendance. Similarly, under subsection (3) of section 17A of that Act the court may refrain from recording a conviction against a child for truancy if the parent gives security for the child's regular attendance.

It is considered that in these cases also the accused should not be entitled to his costs as of right.

These evident anomalies were referred to and examined by the Law Reform Commission which agreed with the desirability of including them in the discretionary saving clause.

I therefore commend this Bill to the House.

Debate adjourned, on motion by the Hon. R. Thompson (Leader of the Opposition).

WHEAT MARKETING ACT AMENDMENT AND CONTINUANCE BILL

Second Reading

THE HON. N. McNEILL (Lower West—Minister for Justice) [8.33 p.m.]: I move—

That the Bill be now read a second time.

The purpose of this Bill is to provide for the continuance of the Wheat Marketing Act 1947-1969 for a further five years.

The Act, presently due to expire on the 31st October of this year, was introduced in 1947 because of uncertainty as to the marketing of wheat under wartime legislation.

The Act accordingly made provision for the marketing, sale and disposal of wheat, and the establishment of a Western Australian wheat marketing board should the need arise. While the Act has been amended and revived, and the period of its operation extended from time to time, its provisions have not as yet been invoked and this for the reason that since 1947, as a result of agreement between States on common policy, the wheat industry stabilisation scheme came into being and has continued in operation.

This Act would provide, nevertheless, the necessary machinery to put the plan into effect should we have occasion to implement our own legislation. In this light, its retention on the Statute book is considered desirable.

Members would be fully aware of the value of the multi-million-dollar wheat industry to this State and of the necessity to ensure its continued protection which this legislation provides in the event of a properly constituted marketing body being sought.

The wheat industry stabilisation scheme currently in operation has enabled our State legislation to remain dormant to this time. Furthermore it is anticipated that the wheat stabilisation legislation, to be submitted to Parliament in this session, will similarly preclude the need for the provisions of the Wheat Marketing Act to be invoked.

Nevertheless, as the existing arrangements could conceivably break down by the repeal of the relevant legislation within one or more of the State Parliaments in the event of unexpected problems arising in the sphere of wheat stabilisation, the retention of the principal Act is commended to the House.

Debate adjourned, on motion by the Hon. R. T. Leeson.

DAYLIGHT SAVING BILL

Second Reading

THE HON. G. C. MacKINNON (South-West—Minister for Education) [8.35 p.m.]: I move—

That the Bill be now read a second time.

This Bill provides for a single period of daylight saving; namely between the 27th October, 1974, and the 2nd March, 1975, to be followed by a referendum to decide whether or not daylight saving should become a permanent fixture in Western Australia.

During the last State election campaign a promise was made by the present Premier that if elected to office there would be a trial period of daylight saving before the holding of a referendum.

This Bill provides for the selection of any day for the taking of the referendum except the day of a general election or by-election.

Members will see that the electoral and voting provisions set out in Part II are somewhat complex. This is necessary to ensure that the referendum provisions are entirely satisfactory.

I think it has been clearly evident in this Chamber that not all members of the Government necessarily are in favour of daylight saving. However, if a majority of members in both Houses decides that it should be put to the vote of the people, we are adamant that a trial period be held before the referendum to provide a practical experience on which electors may cast their votes.

During the various debates on the question of daylight saving which have been held in this Chamber or in another place, both supporters and opponents of daylight saving have produced varying evidence to support their claims. The amount of such evidence is purely theoretical, however, or of a nature that has not been the subject of practical test or application.

In introducing this Bill it is not my intention to elaborate on the merits or demerits of daylight saving but rather to submit a few of the findings of a committee set up in 1972 to inquire into the question of daylight saving in Western Australia.

The findings opposed to the scheme included—

- (1) Inconveniences would be suffered by some sections of the rural industry if daylight saving were introduced.
- (2) The cinema industry would probably suffer financial and employment loss if daylight saving were introduced.

In support it was found—

- (1) A case had been established that on balance, daylight saving should benefit the health of Western Australians.
- (2) The majority of manufacturing concerns were in favour of daylight saving chiefly because of their desire to maintain a two-hour time difference with General Standard Time.

Additionally, it has been advanced that with daylight saving—

- (i) Children find it hard to get to sleep before darkness and with rising at the usual clock time suffer a loss of sleep.
- (ii) Country school children have to travel long distances home in the heat of the day.
- (iii) That Western Australia enjoys "daylight" saving of up to 28 minutes all the year round, anyway.
- (iv) There is more leisure time in the afternoon for such activities as sport and gardening.
- (v) A saving in electricity.
- (vi) A drop in the number of pedestrians and pedal cyclists killed on the roads.

Members of this House are representative of all parts of the State and daylight saving may be expected to have different effects in different parts of the State.

As a consequence, members may have varied views on the subject and I trust they will be given the opportunity to vote on nonparty lines.

Debate adjourned, on motion by the Hon. Lyla Elliott.

ADJOURNMENT OF THE HOUSE

THE HON. N. McNEILL (Lower West—Minister for Justice) [8.40 p.m.]: I move—

That the House do now adjourn.

Education Policy: Intrusion of Party Politics

THE HON. GRACE VAUGHAN (South-East Metropolitan) [8.41 p.m.] Mr President—

The PRESIDENT: Does the honourable member wish to speak on the motion for the adjournment?

The Hon. Grace VAUGHAN: Yes, Mr President, I wish to speak about a matter that rightly should be brought to the attention of the House. In this morning's issue of *The West Australian* I was very concerned to find that the Minister for Education was reported as having replied to a reporter—when asked about consultations with teachers in framing education policy—

All they have to do is join the Liberal Party and get on the policy committee.

I am very disturbed about this, because it seems to me that these types of dictatorial statements are an indication of an elitist approach by the Government toward the political system.

If we are to ignore the Executive of the Government, which is one of the three arms which make up the political system in the way that we view the western style

of democracy, especially in the parliamentary sphere, then we are treading on very dangerous ground. The Executive arm of our Government system is that which is concerned with the implementation of policies and with advising the Government on the ways in which policies should be carried out, and of feeding the politicians or parliamentarians that knowledge and expertise which is of the utmost importance in carrying out our democratic system of Government.

I have already had occasion to take the Minister for Community Welfare to task in regard to a statement which he made at a meeting relating to welfare officers in his department. It would appear to me that the Government is walking headlong into a situation which will become embarrassing to the parliamentary system itself. As members of Parliament I think we ought to have this matter brought to our attention, because it is most important that, if we are to preserve the constitutional type of parliamentary and political system which we value so highly, it is imperative that we watch carefully any encroachment on this ground.

The Executive arm of Government surely should set an example in this regard. In point of fact, if I refer members back to the election speeches that were made earlier this year, they will recall that promises were made to upgrade the Public Service. It was to be singled out and its senior officers placed in a position of being able to sit back and tell us what is best for Western Australia. However, we now find that unless members of the Executive arm are members of the Liberal Party—and that again is supposition because if we all join the Liberal Party we cannot all become members of the education policy committee—they cannot feed information to the Minister responsible for the several departments. In other words the prerequisite must be that people have to be members of their party's committee working in that particular area of interest. If that is so it is a very grave and sad business for us to contemplate.

I regret that I have to hear this kind of statement from the Minister for Education and I hope he can say it was not true. I hope he will say he was misreported and that he is most willing to accept the opinion and expertise of people, irrespective of whether they want to join political parties. In fact, regardless of whether a person belongs to a party which has a policy completely opposite to the policy of the party to which the Minister belongs, or is a member of the Communist Party or the Nazi Party—if he has something to offer in the way of expertise in any particular area, it should be accepted. The Minister should not sit back waiting for such information to come to him, as he said in an answer he gave to a question today.

In point of fact, it is the Minister's duty as a parliamentarian—and I hope he humbly recognises that he cannot be au fait with every facet of his ministerial portfolios—to seek out the opinion of people who are experts in various fields. In the present instance we find that professional people, members of the community, and parents in the case of education, are extremely concerned about the intrusion of party politics into an area in which we should be humble enough to seek the information which we know will be useful in framing policies and in implementing them.

I certainly feel that this matter should be brought to the attention of the House because I consider that all parliamentarians should be most concerned about preserving our constitutional type of government which demands the autonomy of the legislature, of the executive arm of the Government, and of the judiciary in making up the component parts of our parliamentary system.

THE HON. G. C. MacKINNON (South-West—Minister for Education) [8.44 p.m.]: I rise more in sorrow than in anger to answer a third standard lecture on the basic philosophy of Parliament given by a member who has not been here long enough to have yet learnt the rules.

The statement I made I have already made at a dozen different meetings and it is fundamental and basic. People say to me, "Why was not so-and-so consulted with regard to the establishment of a political policy?" In giving an explanation I will not get so deep as to talk on philosophy; I will just mention the plain basic facts. Whether it be the Labor Party, the Country Party, the Australia Party, the Democratic Labor Party, or the Liberal Party—if any one of those parties wishes to establish a policy it elects a policy committee which meets to discuss the particular subject, researches it, inquires into it, and discusses it with people generally who are sympathetic to their way of thought, and who specifically have a particular knowledge and are able to advise on policy.

This happens with every party. The policy is then submitted to the various groups—and I will not elaborate on this because members all know the group in their own political party to which the policy is submitted.

If one wishes to be part and parcel of that policy one joins the party of his choice and gets elected to the policy committee of that party. It is as simple as that. The party in question then endorses candidates. I am sorry I have had to speak in such basic first-standard terms, but when I am lectured in this House in my nineteenth year in the Chamber, I am entitled to get a little angry.

As I have said, the party in question endorses candidates and they stand for election; they stand on the policy enunciated by the various policy committees, agreed to by the governing body of the party and written into the policy speech by the leader, whoever he may be. If successful, the party in question then claims it has a mandate. Again I have said to practically every meeting that has asked me about this question that I am not altogether starry-eyed about a mandate. I think quite frequently that Governments find themselves in a position of authority despite their policies and not because of them. But at least it is the responsibility of the Government to pursue the policy which it has promised to pursue, and having reached that stage it then starts talking about the implementation of that policy. When that stage is reached one consults with whoever it may be who is interested, involved, or anything else. I have explained this in almost these words to the Teachers' Union.

I am prepared to discuss every aspect of this question with the Teachers' Union. The Teachers' Union knows this because its executive has been informed accordingly. The day on which I received the advisory committee's report it was posted direct to the Teachers' Union in order that it might be able to consider the report immediately and return it to me with the various matters they may wish to discuss.

The Hon. R. Thompson: Your policy was implemented the next day; the day after you sent this out.

The Hon. G. C. MacKINNON: It was nothing of the sort. As a matter of fact the recommendation even as to what places are being established as a trial, has not been determined. The recommendation has not been adopted and has not been implemented; indeed, it cannot be implemented until the trial is started in 1975.

The Hon. R. Thompson: Did not you make a statement that you had not received a reply from the Teachers' Union?

The Hon. G. C. MacKINNON: I have not actually received a reply. I may have been asked if I had received a reply and I said "No". I was not angry, because the Teachers' Union had its conference to attend and I expected it to come back.

The Hon. R. Thompson: You made the statement the following day.

The Hon. G. C. MacKINNON: No. It was not released to the general public until the Monday, and that is fair enough. The Teachers' Union is not the only body interested in the implementation of this matter. Copies were also sent to the WA State Schools Association and to the pre-school board for their consideration.

and, as soon as reasonable, I made the recommendation to the advisory committee public. That is what happened.

I did not stand up to elaborate on these things that happened; I stood up to answer criticisms levelled at me by Mrs Grace Vaughan; criticisms based on newspaper reports and her incorrect reading of those newspaper reports—reports which, of course, are notoriously open to misunderstanding and misquoting.

The Hon. Grace Vaughan: I thought you would say that.

The Hon. G. C. MacKINNON: The honourable member could have asked me about the matter in the corridor. I am not that difficult to approach, and I said hello to her twice today. However she chose to stand up and give me a grandmotherly lecture in order to make a political point, and for no other reason. What she said came over as nothing more than a patronising school-motherly lecture.

The fact remains that the policy of the Labor Party is determined by policy committees within the Labor Party. I would not expect the members of that party to approach the Employers' Federation and submit to it for its considered advice its particular policy on any aspect, because that party would be justified in believing that some of the members of the Employers' Federation were financial members of the Liberal Party and that they may even be on the Executive of that party.

So I would not expect the members of the Labor Party to do that any more than anyone would expect the Liberal Party policy committee on any subject to approach any group and submit anything to it prior to an election if there were reasonable justification for believing that some of the members of that body might be official or financial members of an opposing political party. We all realise and know that. It is as simple as that.

I have promised the Teachers' Union that I will confer with it—and if members would like to refer to someone who has been here long enough to know, Mr Ron Thompson shall we say, he will inform them that I am in the habit of keeping my promises. I see Mr Thompson nods his head and I take it he would be prepared to vouch for what I have said.

There has not been an occasion on which the Teachers' Union has asked to see me and I have refused to meet that body. Indeed it asked at 8.30 p.m. if I could meet it and I saw the representative of the Teachers' Union at 9.30 the next morning; they wanted to meet me before their conference started, and it was only right and proper that I should see them. I explained the position to them in terms almost as simple as I have explained it to Mrs Grace Vaughan. It is a simple straightforward explanation which I have given dozens of times since to people who

have asked me. Indeed it is so elementary that I did not think it was necessary for me to give such an explanation in the first place.

Environment Protection: Subiaco Development

THE HON. R. F. CLAUGHTON (North Metropolitan) [8.55 p.m.]: I hesitate a little to rise at this time but I wish to direct some remarks to the Minister for Education which concern a number of questions I have been asking about development in Subiaco.

The Hon. G. C. MacKinnon: Knowing very well I cannot answer you.

The Hon. R. F. CLAUGHTON: The Minister did rise to supply an answer to the questions asked by Mrs Grace Vaughan. One can imagine his task in implementing the difficult policies of the Liberal Party. At the same time we still think the job could have been given to a more competent Minister than I have in mind.

This is not a matter of party politics. It refers to something which is not in my electorate but which has been referred to me. The report supplied by the Department of Conservation and Environment makes it a matter of some urgency and that is why I rise to my feet. Members may recall that on the 31st July I asked the Minister the following question—

As the proposed development of No. 160 Onslow Road, Subiaco, has been referred by a citizen to the Department of Environmental Protection, will the Government take action to ensure no work is carried out on this site until the Department has reported on the environmental effects of the proposed development?

The reply I received was that the Government would not take action to ensure that no work is carried out on this site because a building permit had been issued in accordance with the present zoning of the site, but that a report was being sought from the Department of Conservation and Environment.

I also asked today about the qualifications of the officer who made the report, and I was pleased that the Minister was able to confirm that the gentleman was well qualified to report, because the report as tabled supported the grounds for concern which had been expressed. In fact the report recommends that some action be taken to prevent the construction. I would like to quote from part of the report that brings this point forward. I appreciate that the Minister might not have studied the report because it is not within his portfolio and I know he is a busy man.

The Hon. G. C. MacKinnon: You have not heard me say anything like that since I have occupied this seat. I accept responsibility for this sort of thing.

The Hon. R. F. CLAUGHTON: I felt it might be a bit much to ask of the Minister knowing the burden of the portfolios he carries.

The Hon. G. C. MacKinnon: What I do not know I will find out.

The Hon. R. F. CLAUGHTON: The objection to the development on the site is that there is an existing warehouse on the corner of the street and the new one will be placed alongside the existing warehouse. The argument has been that Subiaco is a pleasant residential area of a highly attractive character and that every effort should be made to retain it as such; and that the building of a further warehouse will diminish the attractiveness of the area for residential purposes.

The report of the officer—which was tabled by the Minister—confirms this position. It confirms all the statements made about the attractiveness of the area and the deterioration that would take place in such attractiveness with a further extension of the commercial and business development and the general reduction of Shenton Park as a residential locality, because of the increased traffic which would arise from the businesses that would be established there.

It must be remembered that the placing of additional business enterprises in the area will reduce the attractiveness of other sites in Onslow Road, and in its vicinity, for residential purposes. Therefore, there will be an incentive to rezone the area further for other than residential purposes.

To illustrate the degree to which the residential areas have been affected by traffic I will quote from page two of the report as follows—

Figures given by Main Roads indicate that there are approximately 2 500 cars daily using Herbert Road which is a through route to Aberdare Road, the Perth Medical Centre, and the University at Crawley.

The objection to the increase in commercial development dates back, at least, to 1968 when the Subiaco Council, in response to objections from ratepayers, advised that it had resolved, in its proposed town plan, to reduce the business zone along Onslow Road by two thirds. The report states—

The only Business Zoning along the north side of Onslow Road would be between Excelsior Street and Derby Road. Under this new Plan the land between Herbert Road and Excelsior Street, including 160 Onslow Road, would be zoned residential. As a result of this local residents were understandably concerned when the proposal to build a warehouse at 160 Onslow Road was considered in 1969,

let alone when the proposal was accepted and a Building Permit issued in 1974.

One cannot be surprised that the local people were up in arms because of what was happening. They were wondering whether, after the development in Onslow Road, other sites would be rezoned. The Subiaco Council had already shown that it could not be depended on. It told the local people that no development would take place in the area, but within a very short while it gave approval for development.

Under the heading "Legal Versus Moral" on page 3 of the report, the following appears—

Legally Subiaco Council was within its rights granting a Building Permit for a warehouse at 160 Onslow Road as the block is zoned for business purposes.

That occurred under a pre-existing by-law dating back some years. To continue—

However, with more notice being taken nowadays of other than legal factors, it appears that the Subiaco Council has not acted in the best interests of its ratepayers.

The report goes on to point out that although the council was legally right in what it was doing it certainly did not uphold its moral obligations to the people. As far as protecting the environment is concerned—about which people are justifiably concerned—the council is at fault. The report continues—

The matter therefore seems to be a legal versus moral conflict;

was Council correct in issuing a Building Permit as was their legal right; or

should Council have withheld the Permit in view of the ratepayers' protests, the future residential zoning of the land and the need to keep up and protect the residential character of the area?

At page 4 of the report it is stated—

From the point of view of the warehouse owner the Council decision was correct.

If one were the owner it is probable that one would agree with that. To continue—

He built his first warehouse on land zoned for such a purpose and his request for a second warehouse was made with the knowledge that he was within his rights to expand. Written confirmation to the effect that a Permit would be granted, should the owner wish to expand, was given by the Council in April 1969. This was after written protests by residents had been received by Council

who had then advised that the Business Zoning in Onslow Road would be reduced.

We have a peculiar situation. The people protested and the council said it would not allow business zoning. However, the council then allowed the owner to rezone.

The report goes on to offer some alternatives to the development, bearing in mind the obligations to the owner of the property. The report suggests, and finally recommends, that the blocks be rezoned for higher residential purposes; specifically, town houses. There really does not seem to be any reason why that course should not be followed. The only hesitation which appears in the report is whether or not the owner would be prepared to agree to the change, and whether he would relocate his warehouse successfully somewhere else. That is really the question being asked.

Surely we should not consider only the owner of the warehouse. We are talking about an area which affects all the people who live around the warehouse, and the occupiers of the houses which the traffic passes. We are talking about a greater benefit to the community and not just what this one man may or may not be entitled to.

I have been told, in fact, that the man purchased the second block, with a house on it, for \$5 000. That is not a high price for him to have paid and it would not be a high price for the council to pay by way of compensation, even if it were thought of as compensation in respect of allowing him to relocate successfully somewhere else. Even if the figure were doubled it would not be very great. The owner would certainly be able to sell the warehouse, and the block alongside, for a lot more than \$5 000.

I hope the Minister will study the report and I urge that he take action in line with its recommendations. Further development of this sort is not desirable for the community, whether it be in Subiaco or any other primarily residential zone. There are areas where the construction of factories has seriously affected the local community.

I can recall a case which occurred in Osborne Park where a residential area was rezoned and a furniture factory was constructed on the rezoned block. The factory had an extremely noisy dust extractor and a long time elapsed before the noise was reduced. Many people in the vicinity suffered seriously in their health while the noise continued and that sort of situation should not be allowed to occur. The people who live in Osborne Park, in the vicinity of that factory, just the same as the people who live in the vicinity of the warehouse in Subiaco, have been living in those places for a long time. They established themselves when the areas were quiet. If an action by the local council changes the

character of an area people are entitled to compensation, or consideration of the effect of the change.

I have touched mainly on the effect of the warehouse in Onslow Road, Subiaco. It will destroy the residential character of the surrounding district. The possibility of rezoning the area to that suggested in the report should be followed through. The man concerned with the construction of the warehouse may be able to move and the residential character of the area allowed to remain. The people living in the area are highly oppressed by the traffic which passes through the streets. This is something which has been going on ever since I have been a member of Parliament, and it has been brought up at different times.

I have been to see the Subiaco Council once, some time back, so I am not in a position to criticise it too strongly on that score, but on the surface it does not seem to have shown much expertise in handling the traffic problems. It has adopted the standard laid down but I believe that a minimum width of 24 ft for a road is far too wide for a residential area. The widening of a road only attracts traffic and it appears that the council is using funds for this purpose. The money would be better spent on the main thoroughfares such as Hay Street, Aberdare Road, and Railway Parade. In that way the people in Onslow Road could receive some relief from the problems which they have experienced.

I commend the report to the Minister. It is very good and has been prepared by an officer well qualified to examine this sort of thing. I hope the Minister will urge the local authority to take action.

The Hon. G. C. MacKinnon: I have already made arrangements for a copy of your notes to be sent down for examination tomorrow.

Question put and passed.

House adjourned at 9.14 p.m.

Legislative Assembly

Wednesday, the 28th August, 1974

The SPEAKER (Mr Hutchinson) took the Chair at 4.30 p.m., and read prayers.

ABORIGINAL AFFAIRS

Royal Commission: Tabling of Report

SIR CHARLES COURT (Premier): I have for tabling a copy of the report of the Royal Commission into Aboriginal Affairs. I should advise, for the information of the public and members, that a copy of the report will be made available to the