

Legislative Assembly

Tuesday, the 22nd May, 1973

2.

HOUSING

Armadale Project

Mr. RUSHTON, to the Minister for Housing:

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

BILLS (5): ASSENT

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

1. Taxi-cars (Co-ordination and Control) Act Amendment Bill.
2. Government Employees' Housing Act Amendment Bill.
3. Traffic Act Amendment Bill.
4. Distressed Persons Relief Trust Bill.
5. Resumption Variation (Boulder-Kambalda Road) Bill.

QUESTIONS (11): ON NOTICE

1. WATER SUPPLIES

Canning Dam-Roleystone Tunnel: Tourist Facilities

Mr. RUSHTON, to the Minister for Works:

- (1) Has a plan been prepared to utilise the materials, equipment and expertise available during construction of the Canning tunnel, particularly when working on and from the Canning Dam portal, to the advantage of the reservoir's environs?
- (2) Will the Minister for Tourism make some finance available to enable the maximum result with the minimum outlay?
- (3) Will he let me have a copy of any plan irrespective of how modest the development?
- (4) What facilities are to remain for the comfort and use of visitors and tourists at the portal and dam sites after the project is completed?

Mr. JAMIESON replied:

- (1) to (4) Proposals are being investigated to improve the picnic and parking facilities at Canning Dam by the disposal of excavated materials from the tunnel to the best advantage. A firm plan, however, has not been prepared.

The major proportion of the excavations are required in the construction of pipe benches leading from the portals. Until these are finally defined, the board is not in a position to brief the landscape architect.

- (1) Has the Commission recently or in the past proposed to the Shire of Armadale-Kelmscott that the State Housing Commission land on the south-west of Armadale township would be developed with a majority of medium and high-density units and a minority of single dwellings?

- (2) Was the proposal to install approximately 75% medium and high density units and 25% single dwellings?

- (3) If "No" to (2), what was the percentage proposed?

- (4) Does the reverse percentage, i.e., 75% single dwellings and 25% medium and high density units, apply at Orelia and Calista?

- (5) What distance is it proposed to provide between the Armadale brickworks and the nearest State Housing Commission living units to the west or south-west of the works?

Mr. BICKERTON replied:

- (1) to (5) There have been several broad exploratory talks between senior officers of the commission and shire councillors and officers. In addition shire representatives have been shown and given explanation of several metropolitan projects developed in recent years by the commission. No firm decisions have been made or conveyed either way nor has subdivisional planning commenced. When initial studies have been completed these will be discussed with all appropriate planning and development agencies which will include the shire, before any detailed subdivisional plans are prepared to meet the sociological, economic and statutory circumstances.

3. TRADE REPRESENTATIVES

South-East Asia

Sir CHARLES COURT, to the Premier:

- (1) What decision has been made about the establishment of Western Australian representation in south-east Asian capitals similar to the Western Australian Tokyo office?
- (2) If no decision has been made, why has it been delayed and when will a decision be made?

Mr. J. T. TONKIN replied:

- (1) and (2) I am not convinced that further representation in south-east Asia is the best method of developing two-way trade. Whilst the proposal remains under consideration, I incline to the view that periodic visits to the areas concerned by trade missions are more productive than the establishment of additional trade offices.

4. CHILD WELFARE

Play Centres in Country Towns

Mr. W. G. YOUNG, to the Minister representing the Minister for Community Welfare:

- (1) What State or Commonwealth subsidies and/or grants are available for the building of child play centres in country towns?
- (2) If the building of a centre is combined between a play centre and an Infant Health Clinic, would any funds be available from the above sources?

Mr. J. T. TONKIN replied:

- (1) Play centres, as such, are not subsidised unless they are kindergartens affiliated with the Kindergarten Association, or meet the necessary standards of a child care centre.
- (2) Yes, in respect of the Infant Health Clinic.

5. PORTS

Derby Goods Shed: Freezer Unit

Mr. RIDGE, to the Minister for Works:

- (1) Is it a fact that a holding freezer and/or chiller intended for installation in the goods shed at the Derby wharf has been held at Fremantle for several months while awaiting shipment?
- (2) If "Yes" what has caused the delay?
- (3) What action is being taken to expedite the installation of the unit?

Mr. JAMIESON replied:

- (1) No.
- (2) Answered by (1).
- (3) The freezer and chiller for Derby are second-hand units from the Fremantle depot of the State Shipping Service. They required considerable modification to both the refrigeration machinery and the structures of the rooms to meet the requirements at Derby.

Modifications to the machinery have been completed and the structural work is now in hand.

6.

TRANSPORT

Cattle Road Train: Mishap at Derby

Mr. RIDGE, to the Minister representing the Minister for Transport:

In relation to a recent newspaper report of a cattle road train rolling over near Derby on Saturday, 12th May, will he advise—

- (a) the configuration of the units involved;
- (b) did the units comply with the Traffic Act and regulations or were they overheight vehicles operating under permit;
- (c) were they single or double decked;
- (d) what were the road conditions in the area where the accident happened?

Mr. JAMIESON replied:

- (a) Wagon with two 40 ft. trailers.
- (b) They were overheight vehicles (14' 6") operating under permit.
- (c) Double decked.
- (d) Road dry, conditions good.

7.

POLICE

Missing Girls

Dr. DADOUR, to the Minister representing the Minister for Police:

In view of his answer given to my question 34 on 17th May, 1973 which has shown a large increase in the number of girls in this State from 13 to 18 years missing and not heard of again (in 1972—8; in 1973—57)—

- (1) Is there any reason given for the marked increase?
- (2) Is there any truth in the rumours of "white slavery" to Eastern States or other countries?
- (3) If "Yes" to (2), please give full details?

Mr. BICKERTON replied:

- (1) There has not been a marked increase. In 1972 there were 1,234 reports of missing girls of ages 13 to 18 and in 1973 there have been 423 reports up to 18th May. These figures include reports of girls absconding from institutions on more than one occasion. The 8 still missing from 1972, and 57 in this year, represent those not yet traced.

(2) and (3) It is not proposed to provide answers to rumours. If the Member has reliable information on the subject, it is suggested he advise the Minister for Police.

8. PERTH MEDICAL CENTRE

New Laboratories

Dr. DADOUR, to the Minister for Health:

Further to question 12 of 17th May, 1973 and as I was referring to the proposed building on top of the mortuary at the Perth Medical Centre to provide biochemistry and haematology facilities for Sir Charles Gairdner Hospital, will he, in view of this explanation, give an answer to the question—Is the Commissioner of Public Health willing to co-operate in the urgent planning for the very essential new laboratories to be built on top of the mortuary at the Perth Medical Centre?

Mr. DAVIES replied:

As stated in my answer to question 12 of 17th May, 1973, plans for this building were completed two years ago.

Should a decision be taken to proceed with the building the plans will be reassessed at that time and the commissioner will be involved in such planning.

9. SYNTHETIC MEAT

Use of Term

Mr. W. A. MANNING, to the Minister for Health:

- (1) As the answer to question 2 on 17th May only partly answers the question, will he now advise where regulations prohibit the use of the names "meat", "pork", "steak", etc., referring to substitutes which may be described as synthetic?
- (2) What penalties are provided in such cases?

Mr. DAVIES replied:

- (1) Regulation A.12—A new regulation promulgated 27/4/73 *Government Gazette* No. 31 for "foods not elsewhere standardised".

Subregulation A.12.003 (f) states—"Food not elsewhere standardised shall not be described or presented in such a manner or by a name or pictorial or other device which is suggestive of another article of food".

- (2) Section 360 Health Act: Provides for a maximum penalty of \$200.

10.

CONCERT HALL

Fire Precautions

Mr. MENSAROS, to the Minister for Health:

- (1) Is he aware that a great number of people patronising the Perth Concert Hall are increasingly concerned about the safety of the audience in case a fire were to break out during a well attended performance?
- (2) Does he consider that the existing normal and emergency exits—considering the arrangement of seating and aisles—are sufficient to safeguard the audience in case of a fire?
- (3) If (2) is "No" would he take measures to ensure the safety of the audience?

Mr. DAVIES replied:

- (1) No complaints or comments have ever been received by the Public Health Department.
- (2) Arrangements of seats and aisles conforms with regulations and aggregate width of exit is adequate for the number of seats, provided all exits are unobstructed and no doors are illegally locked.
- (3) Answered by (2).

11.

MOTOR WAGONS AND TRACTORS

Licenses

Mr. McPHARLIN, to the Minister representing the Minister for Police:

- (1) How many motor wagons and tractors (prime mover type) where the aggregate weight of the vehicle does not exceed 2540 kilograms, i.e., a range of tare weight not exceeding 254 kilograms to 2540 kilograms, were licensed in Western Australia from 1st July, 1971 to 30th June, 1972?
- (2) How many motor wagons, tractor (prime mover type) and a trailer (other than plant) where the aggregate weight of the vehicle exceeds 2540 kilograms, i.e., a range from exceeding 2540 kilograms and not exceeding 2749 kilograms up to exceeding 39 624 and not exceeding 40 640 kilograms, have been licensed in Western Australia from 1st July, 1971 to 30th June, 1972?
- (3) Will he divide both of the above into—
 - (a) metropolitan area; and
 - (b) country areas?

- (4) What is the total number of motor vehicles which were licensed in Western Australia for the same period?

Mr. BICKERTON replied:

- (1) and (2) Estimated motor wagons and trailers (prime mover type) licensed in Western Australia June 1972 (excluding Government-owned vehicles).

Aggregate		
Not exceeding	2 540	54,400
2 541 to	4 064	15,500
4 065 to	6 096	4,000
6 097 to	8 128	5,000
8 129 to	10 160	5,300
10 161 to	12 192	5,400
12 193 to	16 256	4,500
16 257 to	20 320	1,300
20 321 to	24 384	800
24 385 to	30 480	500
Exceeding	30 480	400
Total		97,100

- (3) Estimated (a) 49,404 (50.88%)
(b) 47,696 (49.12%)

Records are not maintained to show numbers licensed in metropolitan and country areas by above categories.

- (4) Estimated at 30th June, 1972—466,206.

QUESTIONS (3): WITHOUT NOTICE

1. CLOSE OF SESSION

First Part: Target Date

Sir CHARLES COURT, to the Premier: I refer to a question I asked the Premier on Wednesday, the 2nd May, when I referred to a previous question asked by the member for Toodyay. My question was as follows—

Yesterday the Premier answered a question by the member for Toodyay and said that the first part of the session would end on the 24th May. Can the Opposition take this as a firm date or is it dependent upon the state of the business of the House at that time?

My question continued, and concerned the date of reconvening. The Premier replied to my question and said—

The date mentioned yesterday was intended to be a firm date irrespective of developments in the meantime.

The Premier continued with his reply and commented on the reassembly of the House.

Is it correct that the Premier now intends to prolong the sitting into the next week; in other words, to sit on Tuesday, the 29th May, in spite of the statement which he made on the 2nd May?

Mr. J. T. TONKIN replied:

When I made that statement it was the intention of the Government to conclude the sitting on the date mentioned, and it is still the intention if it can be achieved. Whether or not it can be achieved will depend very largely upon the attitude adopted by the Opposition.

Sir Charles Court: Fair enough.

Mr. O'Connor: Does the Government intend to introduce any more Bills before the end of this part of the session?

The SPEAKER: Order!

Mr. J. T. TONKIN: Members opposite can guffaw, but that is the fact of the matter.

Mr. O'Neill: "Irrespective of the state of the business"!

Sir Charles Court: Or irrespective of our responsibility.

Mr. J. T. TONKIN: The present situation is that I am still hopeful that common sense will prevail and we may conclude the business of the House on Thursday.

When I made the previous statement I did contemplate the possibility of being able to sit after tea on Thursday. However, the Leader of the Country Party, quite within his rights, reminded me that I had given what amounted to an assurance that I would not sit after tea on Thursdays following an agreement between us with regard to procedure on Wednesdays. When the Leader of the Country Party raised that point I had to agree.

The passing of some of the legislation on the notice paper is of the utmost importance. I would be failing in my duty if I did not bring the Parliament back for the necessary time to complete the business, so if it becomes necessary and the requisite legislation has not been passed I will have no option but to ask members to attend here on Tuesday of next week. In that case I propose that we meet at 11.00 a.m.

Mr. Nalder: Will the Premier continue on Wednesday?

Sir Charles Court: Would you give us a couple of days after the Deputy Premier retires?

2. TRAFFIC ACT AMENDMENT BILL (No. 2)

Accuracy of Introductory Remarks

Mr. GAYFER, to the Premier:

- (1) Would he check the accuracy of his remarks on the introduction of the Traffic Act Amendment Bill (No. 2) of 1973?

I refer to page 4 of his notes "... but it must be remembered that in other States road maintenance contribution is paid on a load capacity of 4064 kg (after this 4 tons) or more, and registration and license fees are generally in excess of those applying in this State at present."

- (2) Would he table the documents from whence the above information was obtained?

Mr. J. T. TONKIN replied:

- (1) In three of the four Eastern States collecting road maintenance contributions, it is levied at the level of 4-ton load capacity. South Australia, like Western Australia, levies the charge at the 8-ton level. A detailed study of various popular makes of trucks was carried out in 1971 when similar legislation was previously introduced, and it was found that the proposed license fees in Western Australia for these trucks were lower than the average for Victoria, South Australia, and Tasmania. At the time, New South Wales's rates were being reviewed. The fees now proposed for Western Australia are less than those proposed in 1971.
- (2) I shall make a copy of the document available to the honourable member.

3. CLOSE OF SESSION

First Part: Target Date

Mr. NALDER, to the Premier:

Referring further to the times of the sittings of the House, would the Premier be prepared to consider a further proposition to sit after tea on Thursday if it is convenient to the members of the Opposition and, in particular, the members of the Country Party?

Mr. J. T. TONKIN replied:

It is difficult for me to answer that question outright at the moment. I would be prepared to consider the proposition, but if it became obvious—and it will become obvious one way or the other—that it was not possible to pass essential legislation which must be

passed, it might be necessary to come back for some part of the following Tuesday. I want to avoid that if I can.

There are some Bills which have to become operative as from the 1st July. Obviously they have to be passed, otherwise we will lose the advantage of what we intend. One Bill is in connection with land tax. We want that Bill to go through in order that it may become operative from the beginning of the next financial year.

There are several Bills of that nature and one which comes readily to mind is to give civil servants four weeks' annual leave. I desire to see the Act amended so that civil servants will receive their four weeks' annual leave. If I can possibly avoid it I do not intend to conclude this part of the session without having that Bill passed.

Sir Charles Court: You could always get the Deputy Premier to withdraw his resignation.

INDUSTRIAL ARBITRATION ACT AMENDMENT BILL

Standing Orders Suspension: Time Limits on Debates

MR. J. T. TONKIN (Melville—Premier) [4.46 p.m.]: Following the experience last Wednesday night when the Assembly had to debate for 1½ hours to determine whether or not the passage "Mediation," should remain in the long title of the Bill under discussion, I came to the conclusion that we could not allow further debate to proceed in such a manner, and that we should do something to take control of the situation.

I did not have to search far for a precedent because the previous Government—faced with a somewhat similar situation—

Mr. O'Neil: Somewhat similar!

Mr. J. T. TONKIN:—had no hesitation in introducing a guillotine motion for the purpose of curtailing debate.

Mr. Nalder: It had a very good reason. For how many hours did the Opposition debate that motion?

Sir Charles Court: Does not the Premier remember that occasion?

Mr. O'Neil: We will tell him about it if he lets us.

Mr. J. T. TONKIN: What does the Deputy Leader of the Opposition intend to do?

Mr. O'Neil: We will tell you about it, if you allow us.

Mr. J. T. TONKIN: That is interesting.

The **SPEAKER**: Order! I suggest to the Premier that he move his motion and make as few remarks as possible.

Mr. J. T. TONKIN: As you insist, Mr. Speaker, I move—

That the notice of motion standing on the notice paper be postponed until Tuesday, the 29th May.

My purpose in putting the notice of motion on the notice paper, in the first place, was to place the Government in the position of being able to control the time to be devoted to this one order of the day.

The Government had no desire unduly to limit the time to be devoted to consideration of a measure of this importance. What I propose to do is to drop the order of the day well down on the notice paper, and go on with the other business. Any time that is then available to the Government will be devoted to a consideration of the Industrial Arbitration Act Amendment Bill.

Mr. Hutchinson: That is not a guillotine motion; it is the sword of Damocles!

Mr. J. T. TONKIN: I repeat: If the Opposition is reasonable in the circumstances—

Sir David Brand: We are always reasonable.

Mr. J. T. TONKIN: Yes, Oppositions are always reasonable, according to their own points of view.

Sir David Brand: The Premier should know better than anybody else.

The **SPEAKER**: Order!

Mr. J. T. TONKIN: If the Opposition is reasonable in connection with this matter I see a very good possibility that we will be able to pass the legislation needed to be passed during this sitting, and reasonable time will be given to discuss the industrial arbitration legislation.

SIR CHARLES COURT (Nedlands—Leader of the Opposition) [4.50 p.m.]: I gather from the discussion that has taken place to date that it is possible to debate this motion, which I must admit rather surprised me. But in view of the fact that it is obviously in order, or you would not have allowed it, Mr. Speaker—

The **SPEAKER**: The motion for the postponement only.

SIR CHARLES COURT: Yes. I have no desire to transgress.

The **SPEAKER**: I wanted it to be clear.

SIR CHARLES COURT: The motion before the House is that this item be postponed until the 29th May. In introducing his motion the Premier gave, as something of a background, the previous experience of this House. In some ways it is perhaps unfortunate we will not have a chance to

explain in great detail to new members, and particularly those who sit behind and alongside the Premier, exactly what happened in 1963.

We resent the attitude of the Government—

Point of Order

Mr. J. T. TONKIN: On a point of order, Mr. Speaker, is not the Leader of the Opposition discussing the actual notice of motion and not the motion to postpone?

Mr. O'Connor: Not at all.

The **SPEAKER**: Not as yet, anyway.

Debate (on motion) Resumed

SIR CHARLES COURT: The Premier is becoming extremely nervous.

Mr. J. T. Tonkin: I want to save the time of the House, that is all.

SIR CHARLES COURT: We take strong exception to deferment of this notice of motion being put in such a way that it is a straightout threat to the Opposition. In effect, it says, "Behave yourselves and we will not implement the guillotine motion, but if you do not behave we will move it."

Mr. Graham: What is wrong with that?

SIR CHARLES COURT: The incident to which the Premier was referring—although he was not precise as to dates, from my recollection of what he said—occurred at a time when the Premier of the day was, in the opinion of his colleagues, far too tolerant on the Industrial Arbitration Act Amendment Bill in 1963. Some 20 hours were spent on the second reading, some 1½ hours on a Select Committee motion, and a further 1½ hours to get the Bill from the second reading stage into the Committee stage, where it took 7½ hours to get past clause 1, and in another seven hours we had not completed clause 2.

The **SPEAKER**: I think the Leader of the Opposition is getting way from the motion.

SIR CHARLES COURT: I hope I have made my point that after a further 10½ hours debate on whether or not we would apply the guillotine, we eventually passed the guillotine motion; it took another 5½ hours to complete the Committee stage and we spent a further two hours on the third reading, which is a total of 55 hours excluding some of the procedural time.

The circumstances are not comparable, and I want to raise that by way of explanation. We do not like the way the Premier has brought this notice of motion in, because of the very limited time that has been allowed by the Government before it panicked.

Mr. J. T. Tonkin: If you are not speaking about the notice of motion, I am a Dutchman.

Sir CHARLES COURT: I am not. What I am saying is provided for in our Standing Orders. Although we do not oppose the motion, I want it to be clearly understood that we resent the motive behind it.

MR. W. A. MANNING (Narrogin) [4.53 p.m.]: I do not wonder that the Premier has moved for the postponement of the guillotine motion.

Mr. J. T. Tonkin: Are you in favour of it?

Mr. W. A. MANNING: I am saying I do not wonder that the Premier has moved for its postponement. When a similar motion was moved in 1963, the Opposition took 10 hours 16 minutes to debate the motion for the suspension of Standing Orders. The Premier might like to work that out when he introduces the motion on Tuesday next.

The SPEAKER: I point out that we are not debating the motion.

Mr. W. A. MANNING: I am saying I can understand why the Premier is doing this, but if next Tuesday we adopt the same policy as that adopted by the Opposition in 1963, it will be Wednesday before we get onto the Industrial Arbitration Act Amendment Bill.

Motion put and passed.

MURDOCH UNIVERSITY BILL

Third Reading

MR. H. D. EVANS (Warren—Minister for Lands) [4.54 p.m.]: I move—

That the Bill be now read a third time.

MR. A. R. TONKIN (Mirrabooka) [4.55 p.m.]: I want to speak very briefly at this stage of the Bill as I spoke only briefly during the second reading debate. It is not often that a university Bill comes before the House and there are one or two points I would like to make.

I suggest universities are not serving society in the way society needs to be served at the present time. Universities are failing in this regard because they do not hire their staff according to teaching ability and members of the staff are not greatly concerned about their lack of teaching skill. They fail in their duty because they are obsessed with research, and the end result is that the universities are turning out increasing numbers of highly trained people, very often with Ph.D. degrees, who are not employable. They also fail in their duty because they have not provided students with courses which are relevant to the needs of society and the needs of the students. They fail because they have not re-examined their concept of value-free knowledge.

Value-free knowledge may be splendid when viewed from an ivory tower but may, in fact, lack purpose. Universities

have been so obsessed with research that their staffs are usually recruited because of their ability to undertake research. Skill in teaching and the desire to teach well are not regarded as important. Staff members at most universities must publish or perish. They are employed for research purposes, and for that reason we have a large number of failures, so-called, at first-year level and at other levels. Indeed, even those who obtain passes at university level are often failures in another way because they have not been taught to understand the relationship between concepts, methodology, and the world about them; in other words, they cannot apply their knowledge.

In Western Australia there are fewer university places relative to the population than in any other Australian State, yet this State has a larger total number of tertiary places relative to the population than any State other than Victoria. This underlines the importance of the Western Australian Institute of Technology.

The SPEAKER: Order! There is too much audible conversation.

Mr. A. R. TONKIN: Undoubtedly the establishment of Murdoch University will correct this situation, but I suggest the greater use of colleges of advanced education, such as the Institute of Technology, is due largely to the fact that universities provide courses which are irrelevant and are taught indifferently.

So I believe we should look to Murdoch University—and, being associated with some of the foundation academic staff there, I can say that we may look forward with confidence—to provide courses which are relevant. When I say "relevant" I am not necessarily talking about relevance in a vocational sense; because, of course, the ability to earn money by taking courses is only one way of measuring the relevance of university courses, and I would suggest that the vocational relevance is not the most important test of relevance. We look forward to the Murdoch University providing courses which are updated. We remember Whitehead's aphorism, that knowledge keeps no better than fish.

The SPEAKER: Order! There is too much audible conversation.

Mr. A. R. TONKIN: I believe as time goes by the need to update knowledge by restudy will result in university degrees having to be renewed, just as passports must be renewed. This will result in a larger degree of study leave being built into employment conditions, and will also result in a greater number of mature age students attending the universities, thus adding to the increasing maturity of students.

This will, if one likes to put it this way, cause an intermingling of ideas and experience. I suggest that on the campus of

any university one of the aspects which is lacking is maturity, and such restudy will increase the amount of maturity.

I would hope that Murdoch University will develop along the path of becoming more like an open university by providing greater educational assistance to country people than is presently provided by the existing university, which provides very little in the way of assistance for external students. We recall that the Jackson Committee regretted the lack of assistance made available to external students.

I would like to congratulate the Western Australian Institute of Technology for the assistance it gives to external students, which assistance is much greater than that provided by the University of Western Australia. I would hope that Murdoch University will tend to follow the pattern set by the Institute of Technology, rather than follow the example set by the present university.

Another way in which Murdoch could move towards the idea of an open university is by including greater flexibility in its admissions policy. The University of Western Australia may admit anyone to its courses; but in actual fact it does not exercise that power. The result is that people, perhaps of mature years, who would make excellent university students are denied admission because they have not the technical qualifications, and those who take their place do not make students as good as would those of mature years. So I believe that in regard to matriculation one must consider other relevant factors and not just the ability of a student to pass an examination at the age of 17 years. One must consider relevant matters such as vocational experience.

I also believe that Murdoch University will move considerably away from the fragmentation of knowledge that we see in traditional universities to an interdisciplinary approach, which is highly desirable. We have to remember that knowledge has been divided into various fields—into disciplines—for the sake of convenience, but truth is indivisible and the result of fragmenting knowledge to an excessive degree as is found today is that the significance of the knowledge cannot be grasped.

I believe the criticism I have levelled at universities is shared by most academics. I think it is an encouraging sign that today academics are meeting the challenge, because they are preoccupied with self-contemplation to a degree we would not have thought possible 20 or 30 years ago. Therefore, I believe the academics of Murdoch University will agree substantially with the comments I have made and that we can look forward to a university that is new and very different from—and I sincerely hope this will be so—the present established university.

SIR CHARLES COURT (Nedlands—Leader of the Opposition) [5.06 p.m.]: I shall be brief. I did not speak to the second reading because the Bill was handled very admirably by the member for Moore and the member for Floreat. However, as Leader of the Opposition, I want to say that we on this side of the House wish the new university well.

It is an important step in the life of the community when it commences a second university. It is a milestone in the growth of a community, and I think there is a message here that we should convey to people who often criticise development. Had it not been for the economic development that took place during the 1960s there would be no need for us to talk about or to support the commencement of a second university at this stage in the history of our State. The upsurge of career opportunities, greater affluence, and the fact that the State was able to advance from being a mendicant State under the Grants Commission to one standing on its own feet, have resulted not only in this new university but in many other projects—such as the Western Australian Institute of Technology—coming into being.

This will be an important institution; and it is interesting and most important to note that it will come into being basically with veterinary science as its first faculty. In a State which is so vast and so greatly dependent upon agriculture, nothing could be more fitting. I noted the comments of the member for Mirrabooka and I, personally, hope—as I mentioned during the Committee stage—that the new university will realise that Western Australia is still in the developmental stage. I sincerely hope the university will concentrate on the faculties which are of greatest value to the future development of the State, and will not become too greatly involved in some of the far-out faculties that have been an absolute plague and a tremendous problem to the communities and universities themselves in some of the more developed countries. They have produced graduates in disciplines without gainful employment.

However, my main purpose in rising is to wish the new university well. I know the former Premier (Sir David Brand)—the member for Greenough—is very proud of the fact that this is one of the decisions made during his term as Premier; and it was regarded by us as one of the most important decisions we made so far as our Government was concerned. We support the third reading.

Question put and passed.

Bill read a third time and transmitted to the Council.

SICK LEAVE BILL

Third Reading

Bill read a third time, on motion by Mr. Taylor (Minister for Labour), and transmitted to the Council.

LAND CONTROL BILL

Second Reading

MR. DAVIES (Victoria Park—Minister for Town Planning) (5.10 p.m.): I move—

That the Bill be now read a second time.

This is the first of three Bills to be introduced which mark quite a new phase in the control and development of land in this State. As this Bill is the stepping stone to the other two, I will, with permission, outline the planning background at rather greater length than usual because they are all closely interrelated. This will avoid the necessity for repetition when the complementary Bills are introduced.

One of the most persistent problems confronting the town planner and indeed the whole community is that of land prices. For the simplest of all reasons—that it is an irreplaceable commodity—land becomes an avidly sought asset subject to intense buying pressures.

There is a considerable body of opinion which believes that the problem could be overcome if through a measure of public ownership in one form or another profits from the inevitably increased value of land over the decades accrued to the community, generally, and not to the fortunate few who were able to get in early. The obstacle to this remedy in most cases is that by the time land price problems have become acute the price of acquisition by the State or public authorities is totally beyond their means. It is too late.

As in some other aspects of town planning, we in Western Australia are rather more fortunate than our sister States because our development has been slower. While it is later than we would like, it may not perhaps be too late to take some action. There are sound precedents for the basic action we propose to take.

Strategies for regional and urban development have no chance of proceeding successfully if the basic commodity—land—is vulnerable to manipulation or exploitation which sends its price rocketing and holds the community to ransom. Nor is it any great help to the furtherance of such strategies if measures taken to combat an escalating price situation are piecemeal or only partially effective in achieving their aims.

This Bill sets out to establish a solid base on which major urban policies can be developed with the maximum efficiency and economy for the community. Furthermore, the basic action we propose is a

natural consequence to several important political decisions taken by previous Governments, both State and Commonwealth.

As the Leader of the Opposition has been reported as describing these proposals as "A large-scale dose of socialism under a false promise of cheaper land", it is essential that I outline to the House some of the actions that have been taken by non-socialist Governments which have paved the way for this legislation. I will first deal with precedents within this State.

The SPEAKER: Order! There is too much audible conversation.

Mr. DAVIES: Let us look at the Kwinana industrial area. Here, in 1952, the McLarty-Watts Government put a price freeze over an area of about 80,000 acres to pave the way for the establishment of the BP oil refinery.

Mr. Rushton: Have you got a limitation of time on this one?

Mr. DAVIES: Wait and see.

Eventually, thanks to the efforts of the member for Greenough and Mr. Russell Dumas—as he then was—the Government acquired about 6,000 acres at an average price of around \$100 an acre.

If we look back on the Kwinana industrial area as it has grown it is not difficult to visualise the situation that would have existed if the then Government had not acted as it did. With news of the impending establishment of an oil refinery, land prices would have rocketed as a scramble for land developed and many of the ancillary industries might well have delayed their establishment or have been frightened off. Without the assurance of cheap industrial land, BP itself might not have come to Western Australia.

The second important precedent is that of the Kewdale industrial estate. Again, I am pleased to pay tribute to the previous Government for initiating the Kewdale industrial estate in 1967, under the improvement plan machinery, whereby an area of nearly 1,000 acres of land was acquired, serviced, and made available for industry. The success of Kewdale led to the formation of the Industrial Lands Development Authority which now operates throughout the State.

Both these precedents involved industrial land. Now I turn to the residential land position. When the mineral discoveries of the mid-1960s led to a land price boom, the previous Government was obliged to take urgent action to stem the upward spiral. This it did mainly by lifting urban-deferred zoning from large areas and accelerating the provision of services.

However, the release of large tracts of broad acres for urban development is not the whole answer to the land price problem. Unless there are other control measures there is nothing to stop the fortunate

landowners who are involved in zoning changes from profiting extensively from the augmented value of their land. This was recognised by the Brand Government which introduced two supplementary measures. The first was to rezone land in the Whitford area under conditions agreed on between the Government and the three major developers. The second was the application of the first improvement plan for a residential area at Kelmscott. Under negotiation with owners, land was assembled, serviced, and put on the market at attractive levels.

It is encouraging that Opposition members have supported the initiation of such control measures for it means that we are on parallel paths with a common aim and approach. In fact, town planning policy since the time of Professor Stephenson's appointment in 1952 has consistently reflected a high degree of agreement in principle among all parties and has not been subjected to sudden changes of direction.

This Government fully recognises the benefits that have flowed from the Whitford exercise and has continued the policy of keeping closely in touch with other large developers on the front of this new urban area, and taking action to ensure that the land price situation is contained. Similarly, it has been in complete agreement with the initial steps taken while the previous Government was in office for the establishment of a new industrial estate at Canning Vale. The land purchases begun by the Liberal-Country Party Government have been continued and have reached the stage where we have been able to announce the Canning Vale improvement plan.

I think it is most important to stress the broad agreement in principle between the Opposition parties and the Government on this most important matter. There may be argument and disagreement on some facets but basically there would seem to be agreement on the proposition that where the Government owns land and can develop it, or where there is firm control, there are few, if any, price problems. Kwinana, Kewdale, Kelmscott, Whitford, and Canning Vale are proof of the success of this principle, as are the new towns established by the mining interests in the north-west.

Now I would turn to actions taken by the previous Commonwealth Government under the former Prime Minister (Mr. McMahon). Last September Mr. McMahon wrote to the Premier of this State Government saying that his Government had been giving close consideration to the problems of urban and regional development and had decided to take a major initiative, by providing finance and other assistance, to help the State Governments

foster a better balance of population distribution and development. Mr. McMahon announced that a new organisation to be known as the National Urban and Regional Development Authority—NURDA—would be set up which would be served by an advisory committee of members from various organisations and groups chosen for their expertise in this field.

NURDA was duly established in November and Mr. McMahon then wrote to the Acting Town Planning Commissioner in this State (Dr. David Carr) inviting him to become a member of the advisory committee. NURDA's first task was to finish, by June of this year, a report on matters relating to urban and regional development throughout Australia, so that the Commonwealth Government could consider what funds would be required for selected purposes in the 1973-74 Budget.

Subsequently, at the end of last November, the NURDA Commissioner (Sir John Overall) and members of his staff came to Perth and held meetings with our Ministers and senior officers to discuss urban and regional development in this State. It was decided that the projects which would be of common interest to the Commonwealth and State Governments and on which feasibility studies and land acquisition programmes should be carried out were, in order of priority—

- sub-metropolitan centre related to Perth;
- coastal regional growth centres based on Geraldton, Bunbury, and Albany;
- regional development in the Pilbara; and
- an inland regional growth centre based on Kalgoorlie.

This outline demonstrates beyond any possibility of doubt the intentions of the McMahon Government and the immediate spirit of co-operation shown by the State Government to embark on new and far-reaching programmes of regional and urban development.

On the 1st December last—that is, the day before the elections—the first meeting of NURDA was held in Canberra and the agenda items included the establishment of NURDA, NURDA's role with the States, the development of a national urban framework, and matters relating to urban and regional development throughout Australia from 1973 to 1978.

It must also be quite obvious that, had Mr. McMahon's Government remained in power, the legislation we now propose would have been fully in accord with the policies that had been initiated by that Government. I think there is evidence of this in the debate on the Cities Commission Bill on the 10th and 15th May last in the House of Representatives, where

Mr. Gorton and others said the legislation was exactly the same as that which had been proposed by the McMahon Government, but the name had been changed.

As it happened, that Government was not re-elected, but this did not affect the continuity of this new phase in planning. Early in December correspondence passed between the new Prime Minister (Mr. Whitlam), Ministers of the Western Australian State Government, Sir John Overall, and the new Commonwealth Minister for Urban and Regional Development (Mr. Uren), which consolidated the agreement previously reached between the State and the former Commonwealth Government. Once again projects which would be of common interest to the two Governments were discussed; once again liaison between the two Governments was discussed; once again the question of financial assistance from the Commonwealth Government was discussed; and once more the question of a sub-metropolitan centre related to Perth was discussed.

If I may summarise: The need for firm and effective control measures over the price of urban land has been fully demonstrated by actions of the previous State Government under Premier Brand by—

- the improvement plan machinery it put into operation at Kewdale and Kelmscott;

- agreements between that Government and major project developers and the establishment of the then Kewdale Development Authority to acquire and service industrial land;

- the buying up of land under the previous Government in Canning Vale in preparation for a further improvement plan;

- the acquisition of broad acres at Kwinana by the previous Government in preparation for the creation of the Kwinana Industrial area and Kwinana new town; and

- the bold new strategies for urban and regional development and the creation of the National Urban and Regional Development Authority by the McMahon Government.

In short, this Government is not suddenly introducing a revolutionary or extreme brand of socialism. It is merely following on from initiatives of previous coalition Governments at both State and Commonwealth level.

At this point I might refer members who are interested in the subject to some recent Press cuttings on the question. For example, in *The Sun*, on Thursday, the 17th May, on page 7 of that newspaper, Mr. Hamer spoke of his support of the principle. In *The Australian* of the 17th May, on page 3, Mr. Dunstan did likewise,

and in *The Sydney Morning Herald* on Wednesday, the 16th May, on page 10 of that newspaper Sir Robert Askin did the same. I would also refer members to the editorial on page 4 of *The Herald* of Thursday, the 17th May, because that editorial spoke well of the proposals. Lastly, I refer members to the centre pages of *The Australian* of yesterday's date in which issue there is an article supporting the measures taken by the Australian Government. These are some Press references in which members may interest themselves.

The issue of urban development in Australia is too big to be dragged down to a level of petty party politics and this has been demonstrated, I think, by the fact that when Mr. Whitlam became Prime Minister he recognised the initiative taken by the previous Government in setting up NURDA and has proceeded to implement the policies which were envisaged when NURDA was formed.

There was talk a few months ago about another land price boom. I think everyone has come to realise that the rise in prices was confined mainly to areas such as Daglish, Karrinyup, and City Beach where either the last remaining vacant lots in attractive built-up areas are being disposed of, or where there is only a certain amount of high quality land with ocean views.

Looking at the region as a whole, we are certainly not in the grip of another price boom but, where prices are comparatively stable, it is the duty of any Government to ensure that the situation does not change and a new boom develop. There is really nothing that can be done about the prices of the last remaining vacant lots in developed suburbs. It is in the new areas being opened up for development where the danger lies. The risk becomes even greater if one considers the possibility of development suddenly arising in areas a considerable distance ahead of the developing front and perhaps a score or more miles away from the urban zone.

In such a situation, long-range planning may indicate the need to secure specific areas for the development, say, of a new port or industrial complex, low cost housing, or other planning uses. But once the word gets around that such proposals are in the air, speculative buying begins and land changes hands at continually rising prices not based on its value as at present zoned, but on the possibility of a higher potential if certain plans mature. This is all very well for the eventual owner of the land when development plans are announced. The land for which he paid, perhaps, a few hundred dollars an acre suddenly becomes worth a few thousand dollars. He, of course, has done nothing to it to justify its suddenly augmented

value—it is the community's need for new industrial or housing areas that has raised its value but ironically it is not the community that will reap the gain. Conversely, in fact, the community stands to lose because of its increased need. The higher the basic price of land when development and servicing starts, the higher will be the final price to the buyer of a lot.

The only answer to this sort of situation is to be able to get in first before rumours begin to circulate and to be able to hold the position until one is ready to acquire the land needed. It is to meet this sort of situation—where agreements with developers or improvement plans, which in any case are only applicable to the metropolitan region, may be impracticable—that the Government comes forward with this Bill. It will cover any situation which may arise in the State.

Its primary purpose is to set up machinery for the effective control of the price of land, and its immediate application is to the 80,000-acre strip between Lake Joondalup and the Moore River and to an area north of Geraldton. This measure will be supplemented by two further Bills. The first will set up a development corporation which will plan, develop, and administer the 80,000 acres which are being excised from the Shires of Gingin and Wanneroo. The second will provide for the establishment of a land commission which will have State-wide powers to acquire land under the control powers which I now describe.

This Bill—the Land Control Bill—has three principal objectives. It gives the Government power to—

- define areas in which control may be exercised;
- determine the period during which control will be exercised; and
- specify a date to which valuations are to be related when assessing compensation where land within the controlled area is being compulsorily acquired.

As to the areas within which control will be exercised, the schedule to the Bill defines two major areas: Firstly, the 80,000 acres of land which comprise the coastal strip, about five miles wide, between Lake Joondalup and the Moore River, of which the State owns about 15,000 acres; and secondly, an area north of Geraldton where, for some time, the Government has been concerned at the type of land transactions which have been negotiated. This latter area is one within which a future port site might be required and it is advisable for the reasons I have already outlined that the Government secure the situation for the future.

These areas will be known as "controlled land" within which the Government will have power to acquire land for industry, housing, public works, or any other town planning purpose, the price of acquisition being determined by the values existing on a nominated date.

As I have indicated, the schedule to the Bill describes two major areas which it is proposed should become controlled land. Subsequently, controlled land may be declared by an Order-in-Council proclaimed by the Governor on the recommendation of the Minister. These orders will be publicised in the usual way through the *Government Gazette* and local newspapers. The Governor may also issue orders declaring that all or part of the land described in the schedule to this Bill shall cease to be controlled land.

The second principal power given by this Bill determines the period of control. So far as the controlled land described in the schedule to this Bill is concerned, the period of control extends until the 31st December, 1974. In the case of subsequent Orders-in-Council, the control period will be specified in those orders.

As to the third principal provision—the valuation date—this will be the 1st January, 1973, in relation to the controlled land described in the schedule. Subsequent Orders-in-Council declaring new areas of controlled land will specify the particular valuation date which will apply to those areas.

Acquisition will be in accordance with the existing machinery of the Public Works Act, but I should stress that compensation, though pinned to a valuation date, can be adjusted to provide for monetary inflation between the valuation date and the date of resumption.

In view of some comments that have already appeared suggesting that housing is being "nationalised" I wish to re-emphasise a point that was made during the original announcement of proposed price control measures over the 80,000 acres. Although there are several areas of subdivision within the 80,000 acres which, if the Bill passes, will become "controlled land" there is no intention of applying these powers of control or acquisition to any subdivided areas. People who have bought homes, or those who have bought lots on which they propose at some time to build, will be completely unaffected by this legislation. They can buy and sell houses or subdivided lots as they wish and without being affected by price control measures. Obviously, within the areas which will be acquired it is not intended that development will be undertaken solely by the Government. It can be expected that the present proportionate involvement of the private sector in housing within the metropolitan region will be continued.

The Premier has repeatedly declared this Government's intention to see that land prices remain at a reasonable level. I commend this Bill as a necessary forerunner to complementary legislation which, with boldness and imagination, fulfils that undertaking and will ensure that the land price problem will become a thing of the past.

Sir Charles Court: God save the Queen!

Mr. DAVIES: I seek permission to table the plans showing the two areas I referred to—north of Geraldton and the northern extremities of the northern corridor.

The SPEAKER: Leave is granted.

The plans were tabled (see paper No. 177).

Mr. DAVIES: I commend the Bill to the House.

Debate adjourned, on motion by Sir Charles Court (Leader of the Opposition).

SALVADO DEVELOPMENT BILL

Second Reading

MR. DAVIES (Victoria Park—Minister for Town Planning) [5.34 p.m.]: I move—

That the Bill be now read a second time.

This is the second of the three measures dealing with the control and development of land to which I referred when moving the second reading of the Land Control Bill.

That Bill set out proposals for the control of the price of land relating to the acquisition of areas to be known as "controlled land". The schedule to that Bill delineated as one item 80,000 acres lying in a strip between Lake Joondalup and the Moore River as the first controlled land to be subject to that Bill's provisions. That same area is the subject of this Bill and is described in the first schedule.

Before describing the development corporation Bill in detail I should explain why this area has been chosen. For some time it has been apparent that development in the Kwinana industrial area has reached a point where there is little or no room for any new industrial complex of any great size. Warnbro Sound offers the only possibility of providing a substantial amount of land-backing which could be used for industrial purposes. This, of course, is out of the question. The Government has previously announced that the Warnbro Sound area will remain free from industry and I am sure no-one will quarrel with that decision. With the demand of primary industry for berthing facilities there is no other coastal area south of Fremantle which could accommodate a sizable industrial complex within reasonable distance of Perth.

The Government is very conscious of the potential for development in this vast State and is equally conscious of the need to plan for the expansion of urban and industrial areas. I recall the Leader of the Opposition when in Government frequently emphasising the requirements of industry.

Consequently, studies have been made and consultations held to determine where and in what form provisions can be made for additional power generating sites, port facilities, and major industry in addition to the urban development that would be necessary to support them.

Investigations have shown the potential for port development north of Perth and about five miles south of Moore River. Associated with an industrial complex in the same general area this would provide for a rational expansion of port facilities as and when required.

The proposal is consistent with development of the corridor strategy recently approved by the Government after considerable study and discussion. Environmental studies indicate no major areas of conflict, but continual monitoring will be necessary through each planning stage.

Concern has been expressed that the Government is ignoring decentralisation and the potential of areas other than the metropolitan region. Let me assure the House that this is not so. It is essential that we plan for growth of the region. Whether or not it occurs is a matter of conjecture, but events in the past have shown that satisfactory co-ordination of development is achieved only when plans are made sufficiently far ahead of development to ensure that all the complex needs of the community in terms of land use are provided for.

The emphasis given to the metropolitan region or other centres in the State in promoting development must always rest on the viability of the enterprise. Industry must be located in an area where it can operate economically in order to market its product. The Government continues to use all those forms of inducement available to it to encourage industry to locate in suitable centres outside the Perth metropolitan region. I am sure all members are realistic enough to appreciate that until a national policy of stabilising metropolitan populations is adopted and becomes effective, it is necessary to plan for continual growth and to ensure that if and when that growth takes place it offers the best possible living conditions to its residents and workers.

In moving the Land Control Bill I spoke of the danger of escalating land prices once word gets around that feasibility studies or development proposals are being considered for future major development. The smart operators move in, buy unused rural land and sit back ready to take

enormous profits when the time comes for it to be rezoned for industry. In fact, in the corridor that extends up to the Moore River there has already been an indication that overseas interests have been ready to move in and acquire land in anticipation of future development.

In such circumstances it is no answer to say that the Government can acquire the land before rezoning takes place or impose conditions on its rezoning. An essential feature of such negotiations would be the base price of the land—the current market value at the time negotiations begin.

If the word has already got around, sharp price increases would reflect the operations of dealers wishing to capitalise on the development, and the price at which land could be bought would be well above the existing use value.

Envisaging the future development of a port site and major industrial complex south of the Moore River, the need for large residential areas along the attractive coastline, and the establishment of new power stations and some associated industry, is evident that planning must be comprehensive and co-ordinated to secure the maximum economic advantage to the State and to the community. It is obvious that the development of such a region will require enormous investment of public funds. As I have already indicated, it is the intention of both the Commonwealth and State Governments to ensure that residential land in particular is available to all of the community at low prices, and to that end extensive areas for future urban development will be bought in major growth areas.

Developers are not precluded by this legislation. I would remind members that Canberra has developed under the management of the National Capital Development Corporation, but with the co-operation of developers. This has now reached a stage where large sections are being developed by private companies in the overall plan. A similar relationship is possible under the proposed legislation and the Government recognises the economic advantages of this partnership.

To capitalise on the investment of public funds the Government has studied the possible ways in which it might ensure the planning development and promotion of the area providing the best possible environment and adequate community facilities. There are a number of choices including several combinations of local government participation, the new towns principle followed in the United Kingdom and several examples in Western Australia including, of course, Kwinana.

A major consideration is the unknown factor of time. If, as past events have shown major industries locate in the region, it is clear that the local authorities would

not have the financial or staff resources to handle this area in addition to their existing urban areas, already expanding at a rapid rate—

Mr. Rushton: They could if you gave them some funds.

Mr. DAVIES: —nor would the diversion of resources be acceptable.

The Government has therefore decided that during the planning and development stages the area should be under the control of a separate authority equipped with special knowledge of those requirements and with powers additional to those of a local authority. However, because at some later date emphasis will return to local government the provisions of the Local Government Act will be used wherever practicable to minimise administrative problems when the area reverts to local government control. It is, of course, not possible to indicate how long the proposed development corporation might carry out the normal functions of local government within the area. Consequently one of the principle provisions of the Bill excises this coastal strip from the Shires of Gingin and Wanneroo and declares it a development region which will have its own residential, recreational, community, commercial, and industrial facilities. It sets up a development corporation comprising a chairman and eight other members experienced in town planning, housing, industry, commerce, finance, engineering, transport, and local government.

The members of the corporation will hold office for four years, with eligibility for reappointment, and to ensure that business is adequately dealt with the corporation will meet at least eight times a year. The corporation will have all the rights and powers of a municipality and, in effect, will act as one and its chairman and corporation clerk will have powers similar to those of a mayor or president of a municipality, and its town clerk.

Mr. Rushton: They have not been elected by the people.

Mr. DAVIES: The member for Dale is not knocking it already?

Mr. Rushton: I am suggesting I would like a little democracy.

Mr. DAVIES: It is local government representation. Why does the honourable member not wait until he reads the Bill before he starts knocking? He is taking over from his leader.

It may appoint committees to investigate and advise on any matters and will produce an annual report to be tabled in Parliament.

However, the corporation will not be omnipotent. The Minister may restrict the exercise of its powers, but must consult the corporation first, if this is practicable, and

the Governor may, by proclamation, dis-pense with or suspend any of its local government powers if special circumstances arise.

It is envisaged that the corporation will be largely financed through Commonwealth loans or grants. It will, of course, have transferred to it all the assets, liabilities, and property from the Shires of Gingin and Wanneroo as lie within its boundaries. Its annual financial programme for the financial year will be submitted to the Treasurer at least one month before the start of a new financial year.

With the involvement of the Australian Government, it will be necessary to create machinery to reflect the co-operative nature of the enterprise.

The Government expects that this will take the form of a ministerial council constituted by the Australian Minister for Urban and Regional Development and the relevant State Minister.

Although the Bill provides for the appointment of the chairman and other members to be recommended by the State Minister, obviously these recommendations would follow agreements reached by the ministerial council.

The corporation will be responsible for preparing a town planning scheme for the region which must conform with the Metropolitan Region Scheme. In this respect the new region will be regarded as a local authority district for all the purposes of the Town Planning and Development Act and the Metropolitan Region Town Planning Scheme Act. Pending the preparation of its own town planning scheme, the corporation will, where necessary, operate under the existing planning measures.

In the initial stages the emphasis of the corporation will be on planning, development, and promotional activities and it will have a very low ratepayer population. Even so these ratepayers must have some representation.

It is proposed that this will be achieved in two ways: Firstly, through direct representation on the corporation; and secondly, through a ratepayers' committee which would be one of the several committees which it is expected the corporation would form.

Later, as time progresses, the emphasis will change from planning and development to more normal local government functions. At that time it is reasonable to expect that the local government function would be taken over by an appropriate council.

I believe that this is a new concept of development, and although I am averse to creating new authorities, it is not a role that can properly be handled by a subsidiary to an existing body. Members

will appreciate the importance of the north-west corridor in the development of Perth and I hope will agree that the provisions of the Bill provide the means whereby the potential of this extensive area can best be realised.

Debate adjourned, on motion by Sir Charles Court (Leader of the Opposition).

LAND COMMISSION BILL

Second Reading

MR. DAVIES (Victoria Park—Minister for Town Planning) [5.48 p.m.]: I move—

That the Bill be now read a second time.

This Bill proposes the establishment of a land commission.

Members will recall that the Report on Land Taxation and Land Prices in Western Australia (1968) under the chairmanship of Mr. L. E. S. McCarrey, the Assistant Under-Treasurer, recommended, among other matters, the setting up of an urban land commission with the following objectives—

Powers to assemble land, subdivide according to an approved planning scheme, and make it available by auction or private treaty to individuals, speculative builders, project developers and the State Housing Commission on the condition that it would have to be improved within a specified period.

Subsequent moves in development and land dealings which could have far-reaching effects on the economy of this State have reinforced the arguments presented in that report.

The objectives of the commission proposed in this Bill have been broadened to cover any land in the State. Western Australia is a vast area; its potential is still being assessed but already proposals for the development of mineral-based industries indicate the need for measures to control land prices and to ensure that land is available for residential, commercial, recreational, industrial, and other uses in a serviced form and at reasonable prices.

To that end the objectives set out in the Bill are for the commission to acquire land that is defined by State planning authorities to be necessary for urban and other developments of State importance or for recreational or other uses.

The commission will ensure that, where necessary, lands acquired by it are developed to adequate standards before being made available for their planned purpose. It will manage the lands it acquires in the interests of the community and will apply its skills to the reduction of the cost of a house and land.

The commission will provide greater integration and economy in public and private development of land and will facilitate the provision of community facilities within the State.

The Government believes that the community must act—in the light of such prospective development of new towns and cities and the expansion of others—to see that land resources are not denied for this development because of price or any other factors.

Under this legislation the Government proposes the appointment of a commission that would acquire land for any community purpose, either for short or long-term development or to add to the national estate in the form of recreation or conservation reserves. It would make land available to the appropriate authorities on such terms and conditions as are agreed to. There is provision for the commission to develop land in situations where this is considered necessary. In most cases existing bodies such as the State Housing Commission and the Industrial Lands Development Authority would assume this responsibility.

In conjunction with legislation proposed in the Land Control Bill this measure would allow the Government to exercise a very strong influence over land dealings and land prices throughout the State and in growth areas in particular.

It is obvious, if such a commission is to be effective, that it will require access to substantial financial resources and this requirement has been a major factor in delaying the introduction of this measure. The Australian Government has clearly indicated concern at the problems of the major cities in servicing and providing urban land for expansion. It has initiated studies in respect of these cities and alternative growth areas and has indicated that it is prepared to make substantial amounts of money available to overcome present problems.

It has invited the States to consider the establishment of land commissions to work in conjunction with an Australian land commission on which each would be represented. I welcome this move as it is in accordance with my Government's policy. Funds would be made available by the Australian Government—these could be in the form of grants and/or loans with interest holidays to enable the commission to commence its activities and build up some resources.

The State land commission would in effect be a land bank, deciding priorities for the use of funds allocated to it; allocating land to the appropriate authorities in either broad acre or subdivided form; determining, within the Commonwealth-State Financial Agreements, the basis of payment for land it allocates and for management of the funds and property

under its control. In time it is expected that the commission will, as the result of a small profit margin, be able to support subsequent acquisition.

The commission's activities would be supplementary to and not in conflict with those of existing State authorities. It would assist in husbanding the State's land resources and have the capacity to add to the State's public domain.

With such an important role in community affairs it is important that the membership structure of the commission be closely matched with the objectives I have outlined—that is, to represent Government at both State and Federal level and community interest. Its members should have skills in such fields as land development, finance, and economics as well as those of normal Government operation and policy. The Bill provides for a commission of 11 members including the chairman who shall be jointly agreed to by the State and Commonwealth. Members include heads of departments closely associated with planning and development, the Under-Treasurer—or his nominee—a Commonwealth nominee and those other members, at least one of whom is to be experienced in economic affairs. I believe that such a commission will satisfy the conditions I have outlined.

The operations of the commission will, of course, be subject to the Minister and in financial matters will be closely involved with the Treasury. Financial matters will be subject to the Treasurer's approval. It is proposed to establish a fund to be known as the "Western Australian Land Commission Fund" for the purpose of registering all financial activities. The fund will be subject to annual audit by the Auditor-General under the Audit Act, 1904.

Each year the commission will be required to submit estimates for the approval of the Treasurer and an annual report of its activities shall be submitted to both the Minister and the Prime Minister.

THE SPEAKER: Order! There is too much audible conversation in the Chamber.

MR. DAVIES: The commission would have the added responsibility of administering any land made available under a leasehold system. A committee of inquiry under the chairmanship of Mr. Justice Elsie Mitchell of the New South Wales Lands and Valuation Court has been set up to inquire into all aspects of leasehold tenure. The findings of this committee would guide the land commission in any dealings on a leasehold basis.

In commending this Bill to members, I am sure that the operations of the land commission will prove of tremendous importance in the future of the State. With financial support from the Commonwealth it offers a solution to the land price problem that grows more difficult each year

and, indeed, in some cities appears to present an almost insoluble problem. Western Australia is fortunate in having time to act. The measures that I have introduced for the control, acquisition, and development of land should ensure that the position does not deteriorate in this State.

In concluding the introduction of these three Bills, I would like to express my sincere appreciation and admiration to Dr. David Carr of the Town Planning Department, Mr. Doug Collins, Deputy Town Planning Commissioner, and, indeed, to many other members of the staff who have been closely associated with the tremendous amount of work necessary to introduce these pieces of legislation into Parliament.

Perhaps we could have taken a little more time and not introduced the measures until the spring session but I believe—and I am sure my Government agrees—that we should provide as long as possible for the measures to be investigated by all the people concerned.

Consequently, Dr. Carr and his staff have worked extremely hard since Mr. McMahon took some initiative last November when an election was pending. I do not try to suggest what his motives may have been for the action he took; the fact remains he took precipitative action and it has been applauded fairly widely throughout Australia by all Governments.

My department worked extremely hard on these matters. Some staff members journeyed to Canberra and members of NURDA and the Cities Commission came to Western Australia to discuss the position. My staff worked long hours with the Crown Law Department in writing the legislation. I also acknowledge the work done by the Crown Law Department, particularly Mr. Sands, the Parliamentary Counsel. I am able to say that, as a result of the work which has been put in, it appears the form of the legislation I have introduced tonight will be accepted throughout Australia as model legislation.

We have worked as fast as we could to make complete details known to the public and, particularly, to Parliament where our first responsibilities lie, but at times it has been necessary to make some Press statements because of certain things which have happened. We are torn between criticism, on the one hand, that we were not advising the public and, on the other hand, that we were not advising the Parliament. It has been a difficult row to hoe and I certainly appreciate the work which has been done by the Town Planning Department.

I indeed regret some of the criticisms which have been levelled at the legislation before the contents were fully made public. I am sure that with goodwill—not even a great amount of goodwill, but a

little—we will have legislation which will overcome one of our most pressing problems; that is, the price of land.

I particularly regret seeing an article in this evening's paper attacking the Government for its leasehold proposals because, as I indicated in my last speech, the Government's leasehold proposals are not even known at this stage and will not be known until Mr. Justice Elsie Mitchell completes his inquiries in respect of the Royal Commission on land tenure in approximately six months' time.

The SPEAKER: Order! There is far too much audible conversation.

Mr. DAVIES: It would be quite wrong for anyone to suggest the Government intends to adopt one policy or the other.

Sir Charles Court: Are you tabling any supporting plans or documents?

Mr. DAVIES: I have already tabled two plans.

Sir Charles Court: The ones referred to in the schedule?

Mr. DAVIES: Yes, the one concerned with the northern end of the northern corridor and the one concerned with the area around Geraldton.

I believe that this is the first move and I am happy to acknowledge that it was initiated by the McMahon Government. This is probably one of the most important moves made in the history of development in Australia.

Sir Charles Court: Those Governments would not have initiated some aspects of this legislation.

Mr. DAVIES: I look forward to some co-operation from the Opposition. I am sure the Opposition will accept certain parts of it as being very good, and I am also sure it will attack any parts which it feels need attacking. However, I remind Opposition members that other States have seen much merit in the proposals.

Sir Charles Court: We love the way you long to pin this back to the Brand and McMahon Governments.

Mr. DAVIES: Is the Leader of the Opposition ashamed of what his Government did?

Sir Charles Court: Not at all. We are just interested and intrigued. We are trying to be helpful.

Mr. DAVIES: Opposition members should see much value in this proposition.

Sir David Brand: I notice that acknowledgement has not been forthcoming in other instances.

Mr. DAVIES: Praise may have some relationship to the Minister who is dealing with the subject. I am pleased to give praise where it is due.

Debate adjourned, on motion by Sir Charles Court (Leader of the Opposition).

BILLS (4): MESSAGES**Appropriations**

Messages from the Governor received and read recommending appropriations for the purposes of the following Bills—

1. Alumina Refinery (Worsley) Agreement Bill.
2. Land Control Bill.
3. Salvado Development Bill.
4. Land Commission Bill.

**LOCAL GOVERNMENT ACT
AMENDMENT BILL (No. 2)**

Second Reading

Debate resumed from the 17th May.

MR. GRAYDEN (South Perth) [6.04 p.m.]: The Minister for Labour, when moving the second reading of the Bill, said—

This Bill contains only one effective clause which is to amend section 533 of the Local Government Act to provide a new basis of valuation of leases under the Mining Act other than coal mining leases.

And he then went on to say—

At present, goldmining leases under the Mining Act come within the scope of section 533 (3) (e) which provides that the valuation will be 20 times the annual rental value of the property.

The recent increase to the lease rentals under the Mining Act has automatically resulted in a four-fold increase in the valuation and consequently a corresponding increase in the rates.

His speech was relatively brief, and he implied that the proposed provision would relate to goldmining leases only. I am sure this is the impression gained by the officers of the local authorities in the goldmining areas. If this were so, the amendment would not amount to very much because of the relatively few goldmining leases presently in operation in Western Australia. Of course, in areas such as Kalgoorlie, goldmining leases are more plentiful than elsewhere in the State, but there are not many of them and therefore the consequences of an amendment affecting goldmining leases would have very little detrimental effect on the rates presently obtained by shires throughout the goldmining areas.

However, when we look at the proposed amendment, we see it goes much further than that. Clause 2 of the Bill reads—

Section 533 of the principal Act is amended by adding after paragraph (ea) of subsection (3) a new paragraph as follows—

- (eb) land held under a lease granted under the Mining Act, 1904, other than a coal-

mining lease—a sum equal to ten dollars for every 4000 square metres of land;

Members will see that the provision embraces not only goldmining leases but also mineral leases, and therein lies the danger.

I would like to instance the effect of the implementation of this provision on the Coolgardie Shire Council. The total yearly revenue of this shire is approximately \$190,000, nearly all of which is obtained from mineral claims and leases; in other words, from mining activities. There are only a handful of pastoral properties in the district and the rates paid by the owners of these properties would be very small. Of the \$190,000 revenue, \$33,000 is obtained from mineral leases. If the Bill is passed, the shire will lose \$22,000 of this \$33,000. This will be an intolerable burden for it to bear.

I mention this shire specifically because I believe it is representative of local authorities throughout the goldmining areas. The Coolgardie Shire Council presently faces heavy loan repayments. It has a \$40,000 interest-free loan which it must commence to repay at the end of this financial year; that is, on the 1st July, 1973. It has obtained other loans amounting to \$82,000, which will attract interest payments as well as the repayment of principal. After it has met its loan commitments, and if it loses the money it is currently obtaining from mineral leases, the shire will have only \$46,000 with which to operate for the year. I understand at the end of this financial year its overdraft will stand at \$33,000 and members will readily see the effect on the shire if it is deprived of \$22,000 in revenue.

Of course, exactly the same thing will happen to other shires throughout the Murchison and the eastern goldfields. They will be in an intolerable position. The proposed legislation would be of no consequence if it related to goldmining only. In Coolgardie the revenue from goldmining leases is about \$2,000 annually, and this is insignificant when compared with the total revenue. The *bona fide* prospectors are mostly pensioners who have been advised not to pay the rates. Therefore, the local authorities will lose very little by any legislation to reduce the amount of money payable on goldmining leases.

It is a different proposition altogether when we consider the mineral leases. I realise that mineral claims will not be affected by the legislation, but I would like to point out that on 300-acre mineral claims in the shire, only \$18.75 is paid annually. However, on goldmining leases of 24 acres, \$60 is paid at the present time. It is the mineral leases I am particularly concerned about.

Mr. J. T. Tonkin: Has any shire or any organised body made representation to the honourable member on this point, or has he discovered it himself?

Mr. GRAYDEN: I was under the impression that the legislation would apply to goldmining leases only. I read an article in the Press some time ago which specifically mentioned goldmining leases. No suggestion was put forward that the provision would apply to mineral leases also. All the local authorities were under the impression that the provision would apply to goldmining only. This legislation will have a disastrous effect on every local authority in the goldfields, unless the Government is prepared to underwrite the losses which will result.

Mr. J. T. Tonkin: This legislation has been on the notice paper for a considerable time. Surely the local authorities should have studied its effect.

Mr. GRAYDEN: I have tried to study the Local Government Act in conjunction with the proposed amendment. Because there have been so many amendments to the parent Act I imagine any officer of a local authority would have the greatest difficulty in determining the present position. Apart from that, all the statements made by the Government spokesmen about this have concentrated on goldmining leases. I refer again to the Minister's second reading speech where he said—

At present, goldmining leases under the Mining Act come within the scope of section 533 (3) (e) which provides that the valuation will be 20 times the annual rental value of the property.

The emphasis has been on goldmining leases. However, the provision includes mineral leases.

Mr. May: Can you name a mineral lease which will be affected? I am not referring to a mineral claim, but I am asking for an example of a particular mineral lease.

Mr. GRAYDEN: Those in the Coolgardie Shire.

Mr. May: There would not be very many of them.

Mr. GRAYDEN: That is the point I am making. The annual revenue from goldmining and mineral leases is \$33,000.

Mr. May: A lease is quite different from a mineral claim, as you know. There will be very few mineral leases.

Mr. GRAYDEN: There are no goldmining leases of consequence in the Coolgardie Shire, but there are many mineral leases. All the nickel companies have converted to mineral leases.

Mr. May: Not all the nickel companies.

Mr. GRAYDEN: Most of the nickel companies are on agreed rentals through specific agreements passed in the Parliament. I am certain everyone concerned has made the assumption that this Bill applies to goldmining only. Certainly all the shires felt this way.

Mr. May: It is the shires who made the representation.

Mr. GRAYDEN: Yes, but in relation to goldmining leases. The shires are not worried about these, because in Coolgardie the revenue from goldmining leases amounts to approximately \$2,000 which is negligible in a total revenue of \$190,000. However, \$22,000 is a completely different matter. Under the proposed system of revenue, the Coolgardie Shire will lose \$22,000.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. GRAYDEN: Prior to the tea suspension I was pointing out that if we passed the amending Bill before the House it would have a disastrous effect on the shires in the goldfields area. At the time I quoted some rather rough figures which were not altogether correct.

During the suspension I had time to go back over these figures and make a couple of slight alterations. I pointed out there would be a substantial loss to the Coolgardie Shire and the figure I gave was \$22,000 a year. The actual figure is \$24,750.

At the present time the Coolgardie Shire derives \$33,000 from mining leases—that is goldmining leases and mineral leases. If the amendment in the Bill before us were to go through it would mean that the shire would receive only \$8,250, instead of the \$33,000 it has been receiving to date.

Mr. J. T. Tonkin: Is not the purpose of this legislation to remove the tax burden on all holders of mineral leases?

Mr. GRAYDEN: I do not think it is. I think the original intention of the legislation was to remove the burden from the small prospectors.

Mr. J. T. Tonkin: Oh no. Why should one attempt to relieve the burden only on the holders of goldmining leases and disregard the holders of all other leases?

Mr. GRAYDEN: I agree with the sentiments expressed by the Premier. I understand that the main agitation in connection with the legislation came from the Coolgardie Shire where there are about 25 *bona fide* prospectors; most of whom are pensioners and do not really come under the generally accepted term of prospector.

Mr. J. T. Tonkin: This has been recommended by the Chamber of Mines, by the prospectors, and by the shires.

Mr. GRAYDEN: All the mining companies would welcome the legislation because under it they will pay one-quarter

of what they are paying now. There are comparatively few mineral leases in Western Australia.

Mr. J. T. Tonkin: What is the alternative?

Mr. GRAYDEN: I would ask the Premier to let me first explain the situation. The people concerned do not make a habit of converting their prospecting leases into mining leases until they are engaged in mining, and on the Golden Mile we have these huge companies which can afford to pay the price of the actual lease. As it happens it costs \$750 for a 300-acre claim, but when one takes into consideration the fact that one is dealing with a working mine it is of no consequence whatever.

To get back to the Premier's point. The agitation originally came from the small prospectors in the vicinity of Coolgardie. They were subsequently advised—though I do not know by whom—not to pay the annual shire rates and they have not been doing so. Because the agitation has come from these small prospectors the Government has sought to grant some relief. It was not the intention to afford relief to people on the working mines, because they would be the last to require such relief.

Under the present valuations we have a situation where for a 24-acre goldmining lease one pays \$60 a year in shire rates. This is what the Coolgardie prospectors are complaining about.

If a person has a mining lease of 300 acres he pays \$750 a year in council rates. Under the system proposed in the Bill instead of paying rates of \$750 for a 300-acre lease the people concerned would be paying \$187.50; which is one-quarter of what they are paying now. As I mentioned earlier the big mining companies engaged in mining are not the slightest bit interested in gaining relief such as this. We must consider that most of the shires in the goldmining areas are wholly and solely dependent on the mining rates.

The pastoral properties in the Coolgardie Shire pay virtually nothing in rates; almost the entire amount raised in revenue comes from the mining rates for various mining tenements.

Mr. Bickerton: How much does the shire contribute towards the welfare of the people concerned?

Mr. GRAYDEN: Let me indicate that in these areas there are many thousands of mineral claims. When one considers that there are several thousand mineral claims in the goldmining shires one will appreciate that the shire rate is not intolerable. An amount of \$187.50 is not really exorbitant for 300 acres.

Mr. Bickerton: You know that in many of these areas the holders of the claims pay rates to the shires which amount to absolutely nothing.

Mr. GRAYDEN: I cannot agree. There are roads in the area only because of the activities of the local shire. The shire is wholly dependent on the mining people and they would not have access roads etc., unless the rates were paid. None of these facilities would be provided in these circumstances if the rates were not being paid.

Those to whom we propose to give relief are the people who have mining leases. These people do not convert prospecting areas and mineral claims to leases unless they are in a position to start work. This is wrong. The people who are worthy of being given relief are the small prospectors.

Mr. Bickerton: It makes you wonder what the position is in these shires.

Mr. GRAYDEN: I can assure members that every shire in the goldfields area would go broke if it were not paid the requisite rates. This would happen in respect of Coolgardie. I would like to quote from *The West Australian* of the 12th February an article which reads—

The State Government has made a \$20,000 grant to the Coolgardie Shire Council to help relieve the shire's serious financial position.

The Minister for Local Government, Mr. Stubbs, presented a cheque to the shire president, Mr. J. Cotter, at a civic function in Kambalda yesterday.

The council sought a grant from the Local Government Assistance Fund last November to help the shire balance a big overdraft.

Mr. Cotter said that the shire's financial position had been caused by special circumstances. These had been recognised by the State Government.

A slump in the nickel industry had left the council with insufficient money to pay for facilities for the rapidly growing town of Kambalda.

Many mineral claims had been dropped. This meant a big drop in income from rates. Western Mining Corporation had severely cut its expenditure.

So on the one hand while the Government actually made available a sum of \$20,000 to the Coolgardie Shire to relieve the financial position of that shire it has now introduced legislation which will further cut the shire's revenue by \$24,750. This is a ludicrous situation which has obviously arisen because the Ministers concerned were under the impression that this would affect goldmining only; or, alternatively, they felt that these shires were not heavily dependent upon the revenue from the mining leases as distinct from mineral claims.

Shires in the mining areas are heavily dependent on the revenue from mining leases. If the amendments in the Bill are passed the shires that represent the goldfields areas will be forced into bankruptcy

unless, of course, they are assisted by further grants from the Government. I am sure this is not the intention of the Government, and it seems very likely that there has been an oversight somewhere along the line. If the Government takes the Bill into the Committee stage and reports progress it will have time to reconsider the situation.

The SPEAKER: I ask members to be more quiet.

Mr. GRAYDEN: In the circumstances I have outlined I feel it would be unthinkable to give the Bill a second reading unless that procedure is followed. The Government will then be able to contact the shires by telephone and be able to ascertain the position in a few minutes. There is no doubt the Bill will affect the shires in Western Australia.

I do not propose to pursue the matter any further, but I repeat that the shires in the goldmining areas will go bankrupt if the amendments in the Bill are passed, and something must be done to prevent this.

Before I conclude I would like to draw the attention of the Minister to one other item: I would like to quote a letter from a lawyer who represents a mining company which holds a lease issued by the State Government pursuant to an agreement made with the State and scheduled to an Act approving the agreement. There are a number of large companies in similar circumstances. The amendments suggested by the lawyer concerned are as follows—

Section 533 of the principal Act is amended by inserting before the word "other" at the commencement of paragraph (e) of subsection (3) of section 533 and before the word "land" at the commencement of paragraphs (g) and (eb) of the said subsection (3) of section 533 the words "Without prejudice to and subject to the provisions of section 533B of this Act".

I will not elaborate on this. In the opinion of the lawyer quoted all the agreements which have been entered into and ratified by Acts of Parliament in this State will be placed in jeopardy if these words are not inserted.

This is something the Government can look at when it reports progress.

A number of members represent the goldmining areas and they would be placed in an extremely difficult position if we were to proceed with the amendment in the Bill; because none of the shires in question have been consulted or advised of what the Government proposes to do.

The shires have been contacted in respect of goldmining leases, and they are quite happy about these; but they are not

happy with the situation that obviously obtains with mining leases under the amending Bill. The position is serious, and I hope we can get some assurance from the Government that it will report progress.

MR. TAYLOR (Cockburn—Minister for Labour) [7.45 p.m.]: This measure, introduced a few nights ago, contains one operative clause only. It was first introduced by a Minister in another place, and he has explained its purpose very fully. One would have thought that from the notes which he presented after a very thorough and careful examination—certainly it has been passed by another place without question, but that is no reason for suggesting that the Bill is correct although it is a reason for suggesting that at least it has been subjected, in one place, to scrutiny—the Bill would be satisfactory.

In my second reading speech I gave a great deal of information to clarify the clause in question. There appears to be a considerable amount of support for it. I would like to take up one point made by the member for South Perth who said that in his opinion the measure refers to goldmining leases and this was the opinion of various shires which had been consulted.

If the member for South Perth were to read the balance of the second reading speech of the Minister he will notice that reference to goldmining leases appears only in the first line of the second paragraph. From then on, whether the reference be to various bodies or to reasons for the proposed change, the notes refer to mining leases.

The context of the second reading speech of the Minister covers mineral leases, whether it related to discussions with the Chamber of Mines, the prospectors, the Country Shire Councils' Association, or the Shire of Coolgardie which the honourable member contacted. The relevant portion of that speech is as follows—

The Council of the Shire of Coolgardie has also expressed concern at the hardship caused in many instances by the increases which have occurred in the rate accounts of holders of mineral leases.

Whether those are the words of the Minister, or are words based on the discussions with the Council of the Shire of Coolgardie, I am unable to determine; but certainly the implication throughout the second reading speech is that the rating proposals refer to mineral leases and not just to goldmining leases.

When the member for South Perth was speaking in support of the contention that the measure does refer to mineral leases

and not to goldmining leases, it was suggested to me that the Bill attempts to bring about a return in valuations to the former situation.

Some time ago legislation was introduced to increase the ratable values of mineral leases collectively; and this having been done generally, in certain circumstances the increase turned out to be an unwarranted imposition. The Bill seeks to bring about a return to the previous situation. If that is the case then the argument of the member for South Perth that certain shires are likely to be gravely disadvantaged does not hold water.

Certainly if some shire councils were existing on a certain level of revenue and in order to assist them the ratable value was increased under the Act; and if now under protest from various groups—including the Local Government Association and the Shire of Coolgardie—the increase appears to be excessive for the services provided, an attempt should be made to return to the previous situation. Unless a shire has increased its expenditure dramatically in the interim it is not likely that it will find itself in the dire straits suggested by the honourable member.

However, this measure is too important for it to be passed without some cognisance being taken of the point made by the member for South Perth. As he appears to be very sure of the basis of his submission I believe it is only reasonable that some check be made. If the situation is as he has suggested, the Government has no desire to cause severe hardship to shires or of attempting to mislead anybody at all.

In commending the Bill to the House I give an assurance to the member for South Perth that I shall have further consultations with the Minister concerned, and have the particular provision examined.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (Mr. Bate-man) in the Chair; Mr. Taylor (Minister for Labour) in charge of the Bill.

Clause 1: Short title and citation—

Progress

Progress reported and leave given to sit again, on motion by Mr. Taylor (Minister for Labour).

BILLS (2): RETURNED

1. Education Act Amendment Bill.

Bill returned from the Council with an amendment.

2. Pre-School Education Bill.

Bill returned from the Council with amendments.

RAILWAY (COOGEE-KWINANA RAILWAY) DISCONTINUANCE BILL

Receipt and First Reading

Bill received from the Council; and, on motion by Mr. May (Minister for Mines), read a first time.

SUPERANNUATION AND FAMILY BENEFITS ACT AMENDMENT BILL

Second Reading

Debate resumed from the 15th May.

MR. R. L. YOUNG (Wembley) [7.50 p.m.]: I would like to make it very clear to members that the Bill deals with the section of the Superannuation and Family Benefits Act which covers the Provident Account. So that members will not be confused with the Superannuation Fund that is set up under the Act to cater for public servants, I make that point clear.

The Provident Account is separate and distinct from the Superannuation Fund set up under the Act. The Provident Fund covers three different categories. Firstly, under section 83C of the Act the fund enables persons who are ineligible, for health and other reasons, to belong to the Superannuation Fund to make contributions. Secondly, under section 83B female employees may contribute to the Provident Account as an alternative to contributing to the Superannuation Fund. Thirdly, under section 83AB members of the Public Service are eligible to make contributions to the Provident Account virtually on the basis of a savings account. Certain restrictions are imposed in respect of the period in which contributors may withdraw their contributions.

Section 83AB states quite clearly that contributors may only withdraw funds which they have contributed in a period of five years. If a contributor withdraws the entire amount that he has contributed in a five-year period then he can start off again, and at the end of the next five years he is able to withdraw what he has contributed in the second five-year period.

Under the first section dealing with the Provident Account—that is, section 83C—some contribution is made by the State. However, under section 83AB, which is virtually a savings account, the State makes no contribution whatsoever to the fund.

Contributions made under sections 83B and 83C by public servants are not withdrawable except under certain circumstances, but in general they are not withdrawable. However, under section 83AB, by which public servants make contributions voluntarily to the fund, the contributions are withdrawable as outlined by me. It is in the area of section 83AB that the Bill is particularly orientated; and it is in respect of this section that the Deputy

Commissioner of Commonwealth Taxation has taken some interest. His interest lies in the deductibility for income tax purposes of contributions made to the account.

Under section 82H of the Commonwealth Income Tax Act, amounts paid by a taxpayer in the year of income—I am not quoting the provision in its exact words—as payments for the personal benefit of the taxpayer, his spouse, or his child to a superannuation, sustentation, widows', or orphans' fund shall be an eligible deduction.

To me it is quite amazing that the public servants of the State who have been contributing to the Provident Account under section 83AB have been allowed, over the many years that this fund has existed, to claim deductions under the Commonwealth Income Tax Act; because quite clearly if any private provident fund or superannuation fund, set up by a company or a private individual, were to contain provisions similar to those contained in section 83AB of the Act the contributions clearly would not be allowable as income tax deductions.

I think it is to the credit of the Deputy Commissioner of Taxation that he has continued to allow deductions under this particular section of the Act until such time as it became quite clear either to himself, or to the Treasurer, that these particular deductions were not eligible. The whole idea under the provisions of Commonwealth taxation, as far as superannuation benefits are concerned—to make them eligible deductions—is to provide that the particular deductions cannot be in the nature of a savings account whereby they can be withdrawn over short periods of time. Because the Commissioner of Taxation—or the Deputy Commissioner of Taxation—has written to the Treasurer or the Chairman of the Superannuation Board and pointed out this ruling we now have this Bill before the House. The Deputy Commissioner of Taxation has said, in effect, that as from the 30th June, 1973, contributions to this particular part of the Provident Account will no longer be deductible.

As the Premier pointed out in his second reading speech, this decision completely changes the aspect of contributions for those public servants affected. Firstly, the interest payable under this part of the Act is not very attractive in that it is only 5½ per cent., and various other investments pay a higher rate of interest. Secondly, the aspect of contributions for public servants is changed because the contributions will no longer be deductible as far as taxation is concerned. That aspect of any contributions to that part of the Provident Account will become totally and absolutely unacceptable to the bulk of public servants in this State who are currently contributing under the relevant section of the Act.

The Deputy Commissioner of Commonwealth Taxation has quite clearly pointed out this aspect to the Chairman of the State Superannuation Board, and no doubt as a result of that communication this legislation is now before us.

I point out to members that the Bill will not make contributions made under that particular section deductible. As a State Parliament we can do nothing to override the Commonwealth taxation law and, of course, no attempt is being made to do that. This Bill will simply make it possible for people who have contributed to the fund, up to date, to withdraw the funds they have already contributed, despite the fact that they are under obligation to pay contributions to the account for periods of five years.

It is totally unfair that a person who has entered into a sort of contract such as this, on the understanding that the contributions will be deductible, should be obliged to continue to leave funds in the account for periods up to five years when the understanding upon which he entered into that arrangement no longer exists. In other words, the situation will arise whereby contributions will no longer be deductible.

The provisions of the Bill will make available to those persons who have contributed to that particular part of the Provident Account the moneys they have contributed, without obliging them to remain contributors for a period of five years.

In addition, the Bill undertakes that the fund will repay, by the 30th June, 1974, any moneys contributed by those who have been members of the fund. It will also enable any member who has become eligible up to this time to withdraw his money from the fund to do so as soon as practicable.

Those, briefly, are the main points of the Bill. To clarify the position in regard to female contributors, the amendment to section 83B of the Act will ensure that female contributors, to the Provident Account will continue to have the benefit of deductions for taxation purposes. The Deputy Commissioner of Taxation has obviously advised the Superannuation Board that by virtue of certain amendments to the Act this can be achieved.

Under the provisions of this Bill female contributors may contribute to the Provident Account beyond the 30th June, 1973—under the provisions of section 83B of the Act—either as a condition of their service, or voluntarily, to provide for retirement. If they do so voluntarily they will be allowed to withdraw funds within the period of five years but the deductions will no longer be eligible for taxation purposes.

The Bill sets out to ensure that contributions are deductible under three conditions: Firstly, contributors to the Superannuation Fund may not also be contributors to the Provident Account, and I think

the reasons for that will be obvious—females would be advantaged by virtue of the fact that they would be able to receive double advantages. Secondly, they may not contribute more than 5 per cent. of their salary; and, thirdly, they will not be able to withdraw any funds contributed after the 30th June, 1973, unless they elect to join the Superannuation Fund and transfer any accumulated contributions which may be due to them under the Provident Account. Any excess over and above the amount necessary to bring them up to their entitlement in the Superannuation Fund will be refunded to them similar to the refunds which will be made under section 83AB. Alternatively, unless the conditions of service under which they become members of the Public Service oblige them to contribute to the fund, they may withdraw all funds contributed up to the 30th June, 1973, with interest.

That is probably a fairly academic summary of the Bill. However, the measure could hardly be anything but academic. I think the Treasurer's introductory speech was one of the clearest second reading speeches I have ever heard. It was a situation where the Treasurer was not able to do anything but present the legislation to the House. He was clearly under an obligation to present it, because the Commissioner of Taxation, exercising his jurisdiction under the Commonwealth Income Tax Act, had given a very reasonable and honest opinion concerning the deductibility of amounts paid to this fund. The Premier had no alternative but to protect the contributors to the fund against the possibility of having to continue to contribute without receiving any benefit whatever.

In my very brief and probably unintelligible—but reasonably academic—speech I think I have summed up what the Treasurer virtually said when he introduced the Bill to the House. I have no alternative but to accept that it is reasonable legislation to assist public servants who will be affected by the direction from the Commissioner of Taxation. I hope public servants will be able to find a more suitable fund in which to place their accumulated savings. They may be able to find some form of superannuation benefit fund to which they can continue to contribute for their old age and retirement.

It is a simple Bill and it has the complete concurrence of this side of the House. I support the measure.

MR. J. T. TONKIN (Melville—Treasurer) [8.10 p.m.]: The member for Wembley has given a very clear explanation of the provisions contained in the Bill and he has indicated that he has a full and clear understanding of its purport.

There is no need for me to go over the amendments. I thank him for his support and again commend the second reading.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Mr. J. T. Tonkin (Treasurer), and transmitted to the Council.

LAND TAX ASSESSMENT ACT AMENDMENT BILL

Second Reading

Debate resumed from the 15th May.

MR. R. L. YOUNG (Wembley) [8.14 p.m.]: I think the last Bill might have created a record.

Mr. J. T. Tonkin: Keep it up!

Mr. R. L. YOUNG: We may have got through the second reading, the Committee stage, and the third reading in about seven minutes. I cannot promise the Premier that we will get through this Bill as quickly, but I will do my best provided some of what I have to say is accepted in the spirit in which it is offered.

Firstly, this Bill applies—and I will explain the purposes of the Bill in a moment—only to parcels of land of 4.0469 hectares subdivided into lots of not less than 4047 square metres. Translated into old-time language that simply means that parcels of land have to be of 10 acres and subdivisions of not more than one acre.

The Bill is designed virtually to encourage development and to bring land onto the market more quickly than is currently the case. We, as the previous Government, in true Liberal principle, accepted the law of supply and demand in that we made things fairly difficult for developers to hold onto land for periods longer than was necessary. By virtue of a taxation measure we attempted to force them to develop land and put it onto the market. We wanted to create an increase of supply to reduce prices.

Unfortunately, by virtue of the drafting of that Bill or perhaps even by virtue of the philosophy behind it, the legislation did not necessarily have the impact we thought it would have, although it certainly had some degree of impact. It has had the effect of aggregating the amount of land in broad hectares and subdivided land into one unit for the purpose of calculating land tax.

By doing that, as at the 30th June in any particular year the amount of land which is assessable if it happens to be in broad hectares is one question. If it happens to be in subdivided land which is available for sale, it is another question altogether because the developer is bringing the land onto the market at such time that at the 30th June in any particular year he will not be stuck with land that is already

subdivided and ready for sale. By virtue of the aggregation, that would increase the amount of land tax for which he was liable, the smaller the amount of subdivided land he holds at the 30th June in any one year, the less land tax he has to pay in the year of assessment—which is the 12 months following that 30th June.

In introducing the Bill the Premier said—

Therefore, this Bill proposes to remove the application of the higher unimproved rate to these blocks and so provide a stimulus for completing subdivisional work.

On the face of it, the Bill does that to some extent but, unfortunately, it does not do it according to the letter of the message of the Premier in his second reading speech because, according to the formula applying in the Bill, the higher rate that would be payable by virtue of the aggregation is moved back to the broad hectare holding.

In order to explain that statement, I must firstly explain the basis on which the Bill applies a rebate to persons holding subdivided land which is ready for sale as at the 30th June in any year. This is fairly complicated but I will make an attempt to explain it, even if only for the purposes of *Hansard*.

Firstly, all unimproved land will be aggregated. That includes an aggregation of all broad hectares and land actually subdivided and ready for sale as at the 30th June. An assessment is to be made on the basis of the total aggregation of all that land at the aggregated rate. From that will be deducted a rebate which is calculated on the basis of taking the subdivided land which is ready for sale and assessing it as though it were a completely separate piece of land, firstly at the unimproved rate and then at the improved rate. The improved rate will then be deducted from the unimproved rate, and the remainder will become the rebate which is taken off the aggregated total amount of tax.

I do not expect members to follow this very well, but that is the basis of the assessment and the rebate under this Bill.

Mr. Hutchinson: I thought so.

Mr. R. L. YOUNG: The unfortunate aspect of this is that it goes against the normal laws of rebate because, under most taxing measures, a rebate is applied at the average rate of tax. In other words, if a person is taxed at a particular level and he is allowed a deduction against income or whatever the particular basis of taxation may be, that reduces the amount of tax directly. But a rebate is something which is designed to put the person entitled to the rebate in an equitable position having regard for the fact that a rebate should be applicable for a specific purpose. It can only be a reasonable rebate if it is calculated on the average basis.

The rebate embodied in the Bill under discussion, instead of taking the average rate of tax paid and applying the rebate to the average rate of tax, takes a rate struck at the lowest rate of tax applicable under the Act and applies a rebate to that. I know I continue only for the purposes of *Hansard* in order that anyone who wants to read it might understand what I am getting at. I will use the example used by the Premier in his second reading speech.

The Premier cited the situation of a person who had broad hectares valued at \$200,000 for the purposes of the Act, in addition to which he had subdivided saleable lots valued at \$100,000, making a total holding to the value of \$300,000. The tax on that holding would be \$13,487, which is an average of 4.5c in the dollar. Under the rebate provisions in the Bill, the subdivided saleable land valued at \$100,000 is taken firstly at the unimproved value, which gives a tax of \$3,062. I am speaking only in round dollars. Secondly, that land is taken at the unimproved rate on the same \$100,000, which gives \$1,135. The difference between those two figures is \$1,927, which is the rebate, bringing the total amount of tax down to \$11,560. That is the tax payable on the total holding under the Bill.

If the tax on the improved value—that is, the \$1,135—is removed, the tax on the broad hectares is \$10,425, which represents 5.21c in the dollar. In other words, under this formula the rate of tax payable on broad hectares increases from an average of 4.5c to 5.21c.

Mr. Mensaros: It increases before the rebate?

Mr. R. L. YOUNG: That is right. It increases before the rebate is calculated because I have added back that part of it. If the purpose of the Bill is to remove the application of the higher unimproved rate for these blocks and so provide a stimulus for subdivisional work, I do not think it is quite accurate when it is considered that the average amount of tax now paid on broad hectares increases to 5.21c in the dollar.

If we took the alternative of applying an average amount of tax based on the total aggregate amount of tax payable on the total aggregate holding, we would have exactly the same figure of \$13,487 tax payable on the total holding. If we take \$100,000 as the value of the subdivided saleable land at the average rate, which produces tax of \$4,500, and add back the amount applicable to the \$100,000-worth of subdivided land ready for sale, we would add back \$1,135, which would leave \$10,122 as the tax payable under the formula I suggest, as compared with \$11,560 under the Bill.

When we are talking of areas of 10 acres or more, we are talking in fairly reasonable figures, so I think the amount of tax calculated on the basis I suggest, in comparison with the figures the Treasurer has used, is infinitely more reasonable to the subdivider and infinitely more capable of ensuring he will try to bring land onto the market as quickly as he can; but, more importantly, it is infinitely closer to the real spirit of a rebate in a taxing measure.

Mr. J. T. Tonkin: The objective here is not to see how much rebate we can give. It is to try to induce subdividers to subdivide their land and make it available on the market instead of holding it back in order to evade tax.

Mr. R. L. YOUNG: I quite agree, but the Bill does not really achieve that.

Mr. J. T. Tonkin: I think it does, and it will cost up to about \$750,000 to give this attraction.

Mr. R. L. YOUNG: I readily agree it would cost more to do what I suggest, but I am saying that under the present market conditions a developer will not put land on the market any more quickly or slowly, regardless of which provision is used by the Government. I am saying it is fairer to the subdivider to apply a rebate on the average basis, and that the laws of supply and demand as they exist in the sphere of land sales at the moment are sufficient to ensure that subdividers will get their land onto the market in a more orderly fashion.

For a start—and I think the Treasurer evidenced this in his second reading speech—large amounts of money are being paid in interest by holding these properties. I do not think people can be encouraged by the amount of this tax to put land onto the market any more quickly. I do not think that is particularly pertinent. I am looking at it from the point of view that a rebate is a rebate, and the kind of rebate the Premier has tried to apply in the Bill has no real sense.

I believe developers will be trying to put land onto the market as quickly as they can, certainly, but the time has come when, to try to avoid this niggling type of tax, they are holding back as at the 30th June from having subdivided land available. I hope to say more about the Land Tax Act and point out that the whole matter needs a complete shake-up. Perhaps the Treasurer could reply to my statements as soon as I have finished.

I give notice that I intend to move an amendment in respect of the provisions in this Bill which will provide a more reasonable rebate to developers, but I would not like to go so far as to move any other amendments. I think land which has been subdivided and put into a saleable condition should be regarded as being improved land for the purposes of the Act,

but one thing that worries me most of all is that under the Bill the Commissioner of State Taxation needs certain information before he can allow the rebate which will only be allowed on application.

Landowners have been notoriously remiss in the fashion in which they communicate to the commissioner the information necessary for him to make his assessment. Before I make any further comment in that regard I would like to say that surely the land in question can be regarded as being improved land if all the work that was done previously by the local authorities has been completed. When I say "previously" I am referring to the period prior to the last six or seven years, and I mean improvements such as roads, footpaths, drains, and the like. Then of course we have sewerage and water reticulation problems; and in addition to that the handing over to the M.R.P.A. of public open space. All of these items are costs to the developer which must in my opinion represent improvements to the land.

Therefore, if a parcel of lots is being brought to a saleable condition from broad hectares, surely those lots should be deemed to be "improved" within the meaning of the Act. The problem here is that a new definition of "improved land" will be required and it must include subdivided land ready for sale but not yet sold by the developer. The biggest problem I see in regard to this is in the actual lodging of information with the commissioner.

I know that over the years the Commissioner of State Taxation has experienced tremendous problems in ascertaining who owns land. I venture to suggest that probably about 60 per cent. of the assessments issued by the land tax office year after year are issued with a prayer offered to Heaven that they may be correct. I am not saying that 60 per cent. of the assessments are incorrect; but with the system we use there is a chance that a percentage as high as that could be incorrect. The reason for this is not the fault of the Commissioner of State Taxation; it is the fault of the system within which he must work and of the persons who own the land and who fail to comply with the letter of the law.

Under the State Land Tax Act we are not required to lodge an annual return of landholdings. People are obliged to lodge a return with the Commissioner of State Taxation only if they buy, sell, or improve land. Developers—and I will say this whether they like it or not—are probably the biggest offenders in this regard because quite often they develop land to the point of subdivision—or they may develop a particular tract of land to that point—and sell it holus-bolus through an agent, and do not lodge the forms and returns necessary for the commissioner properly to determine who is the owner of the land at a particular time.

There are many instances of developers and owners selling land under contracts of sale whereby there is no change of registration at the Titles Office. In some instances not even a *caveat* is registered against the title. The Commissioner of State Taxation sometimes does not receive a return in respect of that sale and, therefore, obviously the assessments cannot bear any relationship to the true position. Instances have occurred where people who have been entitled to rebates after having improved their land have failed to lodge the necessary return with the Commissioner of State Taxation to indicate that the improvements have been made, thereby entitling them to a lower rate of tax.

In fact, I remember a few years ago, after amendments were made to the Land Tax Assessment Act to increase the value of unimproved land to \$10,000 before tax was payable, the Commissioner of State Taxation sent out probably scores of thousands of letters to landowners suggesting that they may be entitled to a lower rate of tax and that if they had improved their properties to advise him on the appropriate form, which was included with the letter. However, hundreds of people did not even reply and therefore the commissioner was in no better position. Their land tax had to be assessed at the unimproved value, and later dozens and dozens of people screamed that they were paying too much tax.

The commissioner is caught in a cleft stick by the regulations which prescribe a return system that does not work very well. The whole system of notification of ownership and improvements to the land tax department is not working very well at all. It seems to me that the way to overcome that problem is to have a system of annual returns lodged with the commissioner. I know members may say, "Good Heavens! Fancy suggesting that every householder should submit an annual return." However, I am not suggesting that. I am suggesting that in the long term I hope to see annual returns lodged with the Commissioner of State Taxation; but that could work only when the land upon which the average person actually lives is totally and absolutely exempted from land tax. I would suggest that should apply to land up to an area of, perhaps, one acre or 4,047 square metres.

The commissioner would then be in a situation where he would have a file applicable to every owner of land in the State, which would be up to date and checkable year after year. The great majority of landholders—I refer to those who own a block with a house upon it in which they reside—would not be obliged to lodge a return. Therefore, all of the problems to which I have referred would be overcome. Large developers would be required to lodge, year after year, returns showing the state of their landholdings.

I have taken a most circuitous route in order to return to the point I was making originally: that it could be possible to deem these particular subdivisions as being improved land, with a specific rate of tax applying to them and to them alone. We have not reached that stage yet. Therefore, to make this Bill more equitable I propose in Committee to move the amendment which I have foreshadowed. I think any Bill that writes a rebate into an Act should not write in that rebate at the lowest rate of tax payable, but at least at the average rate of tax payable. For those reasons I support the Bill with the reservations I have expressed and subject to the amendment I propose to move in the Committee stage.

MR. HUTCHINSON (Cottesloe) [8.38 p.m.]: I would like to contribute to this debate and to say at the outset that I have no objection to the principle contained in the measure. Indeed, I commend it. The principle—to use words other than those used so far—is to reassess the taxation situation in so far as easing the way for developers to subdivide land is concerned. In brief, an additional tax incentive is to be given to encourage developers to subdivide their land.

Under the circumstances I think it is appropriate to try to assist developers because eventually we will assist those who will ultimately own the land in individual lots. I would like to indicate that I support the amendment proposed by the member for Wembley. He has convinced me of its worth. Indeed, seeing the startled looks on the faces of members, one could quote my friend Oliver G., "He 'mazed the rustics ranged around with taxation matters pound by pound'!"

Sir Charles Court: That is the most lyrical thing I have ever heard about taxation in all my life.

Mr. HUTCHINSON: I want to take the opportunity afforded me by the debate on this Bill to add to the principle contained in it. The measure will ease the land tax burden on developers, and I would also like to see a reassessment of tax scales made in order to assist home owners. It seems to me that those people should receive at least the same consideration as developers receive; in fact, probably they should receive greater consideration.

I refer to the fact that many people in our community have acquired two blocks of land. Let us take the case of a man who owns a reasonable lot upon which his residence is situated, and who also owns another lot whereon he has a small shop from which he earns his living. He may own the land freehold. In addition, he may also own the family home in which his parents or some portion of his family may reside. When aggregating the value of his land such a person may find that it amounts to in excess of \$10,000. If that is so he must pay taxation on his own home

even though it is below the taxation value of \$10,000, which sum is named in the Act, and which would exempt him if he owned one piece of land only.

This situation seems to be manifestly unfair, and one which we should try to correct. Therefore I propose to move to correct it by adding a new clause. In brief, the clause is to the effect that where the aggregate value of a person's landholdings exceeds \$10,000 and he owns the land, then an amount equal to the unimproved value of one parcel of land, or an amount of \$10,000, whichever is the lesser, should be brought into the assessment scale. I will try to give a brief example. If a man owns a residential lot, the unimproved value of which is \$12,000, and in addition he holds other land totalling \$5,000 in value—

Mr. J. T. Tonkin: Subdivided or unsubdivided?

Mr. HUTCHINSON: This is subdivided land upon which his home is built and upon which a shop is built.

Mr. J. T. Tonkin: You mentioned first the land upon which his home is built. Obviously that is subdivided. Then you referred to other land. Is that land subdivided or unsubdivided?

Mr. HUTCHINSON: It is already subdivided. I am merely adding to the principle the Premier has introduced.

Mr. J. T. Tonkin: The purpose of the Bill is to encourage the subdivision of land.

Mr. HUTCHINSON: My proposal is to relieve the taxation burden.

Mr. J. T. Tonkin: That is a different purpose altogether. The purpose of the Bill is not to relieve taxation.

Mr. HUTCHINSON: I appreciate the difference mentioned by the Premier.

Sir Charles Court: It still relieves them of \$750,000.

Mr. O'Neil: It relieves the Treasury of \$750,000.

Mr. HUTCHINSON: To return to the example I was giving: The land upon which his home is built is worth \$12,000, and the land upon which his shop is built is worth \$5,000; making a total of \$17,000. This would wipe out any concessions provided under the Act for those people who own only one parcel of land upon which their homes are situated. I do not think that is right. Under my proposal that man would have subtracted from the total of \$17,000 the amount of \$10,000, leaving \$7,000 upon which he would be assessed for land tax purposes.

To me, that is fair enough. In addition, my amendment carries on to say that an amount exceeding \$10,000 limits the taxable sum to \$1 for every \$4 by which the sum remaining exceeds \$10,000. In this I am borrowing extensively, word for

word, from paragraph (e) of section 11A of the Act. In brief, this would have an effect of scaling down further that man's tax burden.

Therefore I trust that, in the Committee stage, the Treasurer will see reason in this amendment and try to relieve the burden of tax on home owners. There is no doubt that at present the Act endeavours to relieve that burden, but no consideration is given to the additional points I have put forward to the Chamber this evening. So with those few words I have much pleasure in supporting the Bill and trust the Treasurer will agree to my amendments in due course.

MR. RUSHTON (Dale) [8.47 p.m.]: I wish to make a small contribution to the debate on this Bill and to indicate to the Treasurer initially that I support the second reading. There are anomalies in the Bill which I hope the Treasurer will rectify, and I also trust that in dealing with this legislation he will give us some indication why he has declined to accede to some requests he has received for relief in the payment of land tax. I know of one person who is carrying on an agricultural pursuit who thought he was entitled to be exempted from the payment of this tax but later found that he could not obtain exemption.

I believe that the most important amendment included in this Bill is not flexible enough to achieve the type of town planning that is desirable. If we continue with our taxing and town planning measures as we have done in the past, I feel certain that we will finish up with an unattractive plan of development. We are trying to plan and to develop our city in order to enjoy quality living, but unless we allow for greater variations we will not attain our objective. Instead of having subdivisions of $1\frac{1}{2}$ acres, $1\frac{3}{4}$ acres, or just in excess of one acre, this legislation will encourage exactly the opposite approach. I refer to those districts and parts of our State which are hilly. I have many such tracts of land in my electorate. We all know that some of the most desirable subdivisions are those which take into account the natural features of the land and the protection of them. I am aware of the case of one subdivider who, in an attempt to get a good return on his capital, has the tendency to subdivide attractive land into areas which are too small when taking the terrain into consideration. This legislation encourages that type of action and it is something to which more thought should be given.

We have to keep in mind the quality of living. We do not want everyone to finish up in a box situated on a regular sized piece of ground. We do not want to hand out benefits only to those who conform to a narrow concept of living. As I have

said, this legislation does not relieve those people who own areas of land under 10 acres. For some years now not only this Government but also the previous Government refused to allow subdivision of small acreages of land which in the early history of this State were considered to be most desirable. This legislation discriminates against these holdings and is actually levelled against those people who prefer this kind of life.

There is no doubt that we are not preserving some of the enjoyable qualities of life that were enjoyed by our pioneers. Together with the pioneers surveyors were able to provide us with a phasing out of our dense suburbia to farmlets and eventually to large rural holdings. However, according to modern town planning, that is totally wrong. It is now considered that we should either have large holdings or very small ones. We are not permitted to subdivide land into one-acre lots or two-acre lots where a man is able to raise his family under the conditions he seeks. Such people do not need to have hundreds and hundreds of acres. They can play the role of squatter on their small holdings of one or two acres.

Just before I entered Parliament it was contended that it was desirable to stop these small holdings being created in order to bring down the price of land, but exactly the opposite occurred. The policy had most effect on the suburban blocks within the metropolitan area and increased the value of these blocks. The broadacre value of 10-acre or five acre lots was something like \$2,000 a broad acre but large holdings of land north of the city were valued at \$10,000 or \$12,000 an acre. This meant that if land was held in the hands of a few people it could be withheld from the market and an artificial value placed on it. Therefore the concept put forward by town planners that land should be held in large holdings eventually brings about the high prices placed on such land.

If we allowed natural development to take place it would not be necessary to impose these restrictions. Surely it is much more enjoyable to live according to the natural laws than to bring about the harsh adjustments that are required from time to time to make everybody conform to a pattern which is not always an attractive one.

I suggest to the Treasurer that the man who holds, say, 20 blocks of nine acres each and desires to subdivide them is not given the same consideration as the man who holds large acreages of land. I know of one landowner who owns 200 or 300 acres of land subdivided in five-acre lots and other lots of varying sizes. He would be discriminated against under this legislation and this is an anomaly which should be rectified at this time when we are considering amendments to the Act.

The example I cited earlier to the Treasurer for some relief is the one relating to two people who are breeding horses. This case has been presented to the Treasurer and, by letter, he said he would review it when the legislation was brought before the House. I am wondering therefore whether he has had an opportunity to study section 11G which, in effect, gives a rundown of those people who are entitled to exemptions from tax because they are agriculturists, pastoralists, horticulturists, and poultry farmers.

Of course many anomalies arise because of a description such as that. I am wondering whether the Treasurer has had an opportunity to give that provision some thought. I am wondering also whether he will allow an amendment to be moved to enable those people who are genuinely carrying on an agricultural pursuit to enjoy the benefit of this legislation.

Any member who has been in the House for a few years will recall that the Premier and the Deputy Premier made tremendous play on the fact that an increase in land tax would bring more land onto the market and would reduce the price of land. I do not for one moment detract from the sincerity of the Treasurer's intention in introducing this legislation, but we have to be careful indeed when we impose upon land man-made devices with good intent which, it is hoped will do this, that, or the other. They are imposed in good faith but quite often are eventually proved to be wrong.

We should consider this legislation carefully to ensure that the result does not blow up in our faces. Here we have legislation that is diametrically opposed to the views held by town planners and many other people with good intentions concerning what they considered the higher taxing of land would achieve. However, the increase in land taxes has had a tendency to increase the price of land instead of reducing it. The small landholders have been caught up in the web of this legislation. They have suffered all the disadvantages of previous legislation which was introduced to increase taxes in an endeavour to have more land brought onto the market. But these small landholders do not get any relief from the existing legislation. Many of those who own land under 10 acres in area cannot subdivide. I can recall the member for Canning raising this issue by means of a grievance debate. People who own small holdings cannot have them serviced and therefore are unable to subdivide and, as I have said, are caught up in the web of existing legislation.

The man who owns large tracts of land—that is, the developer—is enjoying relief from land tax under this legislation, but there is no doubt that we are not

achieving our objective to have more land placed on the market. Under this legislation a land developer would need to develop only 10 acres a year to obtain the reductions in tax. He could sit on the remaining land he holds for the rest of his life if need be, because he will be able to enjoy the benefit of the increase in the unimproved value. On the other hand, the man who holds a piece of land under 10 acres and is unable to subdivide because services are not available is caught by the increased taxes to force land onto the market. The existing legislation is giving some relief to the large landholder, but the person who owns only a small block of land is suffering all the disadvantages.

This is a warning which we should heed and we should be careful what we do in regard to the natural development and holding of land, and the right of the individual to have a say concerning his land. The House should be very mindful of this fact when it makes further moves concerning land and its taxing and development.

I would like the Treasurer to make some comment on his intentions regarding exemptions. I support the second reading.

MR. J. T. TONKIN (Melville—Treasurer) [9.01 p.m.]: I thank members who have expressed their opinion on the Bill and for their general support. However, some members have completely overlooked that the Bill has not been introduced for the purpose of relieving people of land tax. We feel that certain people ought to be given concessions for no other reason than to relieve them of a burden and so encourage them to subdivide their land. I thought I made it clear that this Bill has been introduced for one specific purpose. If it had not been introduced for the purpose which I will restate, it would not have been introduced at all.

The tax which I am proposing to rebate is a tax imposed by the previous Government, and I do not quarrel with it because its purpose was to try to force people who were holding large areas of unsubdivided land to have them subdivided and put on the market so that the price of land could be kept from rising. That was the purpose behind the action of the previous Government, and we supported it. It appeared that that was the thing to do at the time. We felt that those people who had large areas of land with which they would do nothing should pay more tax if they continued to hold the land. It was felt that the objective being sought could be achieved by making the tax so high that it would be uneconomic for the developers to hold the land.

In practice, this is what was found out: If a developer has land surveyed, subdivided, and serviced, but it is still under his ownership and has not been sold, it

is not improved land, but the subdivision and servicing has increased the value of the land which has been serviced. Consequently, the net result is that when we add that increased value of the subdivided and serviced land and aggregate it to the rest of the land held by the developer, but which has not been subdivided and serviced, the tax which the subdivider has to pay is about 300 or 400 per cent. more than he would pay if he had not subdivided and serviced the land. The result has been that the servicing and subdividing has been retarded to the extent that the subdivider will deal only with that area of land which he feels he can dispose of before the 30th June, or, putting it another way, he wants to reduce the amount of subdivided and serviced land at increased value which will be in his ownership at the 30th June.

To change this situation I introduced the Bill so that the developer need not be worried about the increased taxation he will pay because he has subdivided and serviced more land than he can sell; we will tax him on the land as if it were unserviced and unsubdivided. This is an incentive to him to get on and subdivide and service all the land he has because it will not involve him in more taxation than if he did not service and subdivide it.

That is the purpose of the Bill. It is not concerned with any other aspects of land and its taxation. This inducement is for a specific purpose; that is, to try to get more serviced and subdivided land onto the market in order to keep prices down. Many people say that the only way land prices can be kept down is by increasing the quantity available.

This cannot be done without substantial loss of tax. It is estimated that this concession or rebate will cost the Treasury up to \$750,000. Surely members can appreciate that the Treasurer would not face a loss of this amount of income unless he felt he would achieve his objective of providing serviced land on the market thus keeping the price down and indirectly benefiting prospective home owners. The Bill has no other purpose. I am not prepared to forgo more than the loss of tax involved in the proposal. I think that is enough. It is a very generous gesture on the part of the Government, but it is in accordance with what we want to achieve; that is, to keep down the prices of blocks of land for prospective home owners by ensuring a substantial increase in the number of subdivided and fully serviced blocks which will be put onto the market for sale.

I repeat that under the existing taxation law each developer realises that the more of this serviced land he has on his hands at the 30th June and the more subdivided

and serviced land he has ready for sale, the more tax he will pay; and so, if he has any sense, he will keep his serviced land at an absolute minimum, thus leaving most of his land unserviced and unsubdivided—the very opposite to what the previous Government wanted, and this Government wants, to achieve.

So I suggest members who want all sorts of other amendments made to give greater concessions and to increase the loss of revenue, should have second thoughts about the question because the only purpose of the Bill is to bring more serviced and subdivided land onto the market; and what is stopping this at present is the definite knowledge on the part of those owning the land that if they too quickly subdivide and service it beyond their capacity to sell all they have, all they are doing is increasing the amount they will pay in tax. This Bill is designed to assure such people that they need not be worried about that aspect, because whilst the subdivided and serviced land remains in their possession it will be taxed at the rate it would be taxed if it had not been subdivided and serviced.

Mr. R. L. Young: That is not what happens under your Bill.

Mr. J. T. TONKIN: Yes it does.

Mr. R. L. Young: No it does not. I will explain later.

Mr. J. T. TONKIN: The honourable member will have to make a better explanation than he made before to convince me.

Mr. R. L. Young: I will try very hard.

Mr. J. T. TONKIN: The Commissioner of State Taxation has discoursed this with me. He knows precisely what I want to achieve and he assures me that this is the way to achieve it.

Mr. R. L. Young: That is not what you just said, because what you just said is what my amendment would achieve.

Mr. J. T. TONKIN: No it would not. What the Bill does is to ensure that the person who has serviced and subdivided his land and still holds it—it is not improved because no house is built on it—will not pay any more tax on that land by virtue of the fact that he has serviced and subdivided it. Under the law at present, the value of the land so serviced and subdivided is increased in comparison with the land not serviced and subdivided. The Bill proposes that he shall not have that additional penalty. It is perfectly obvious that if this proposal is estimated to cost the Treasury \$750,000, substantial benefit must accrue to the owners of the land. I commend the Bill to the House.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (Mr. Bate-man) in the Chair; Mr. J. T. Tonkin (Treasurer) in charge of the Bill.

Clauses 1 and 2 put and passed.

Clause 3: Section 8E added—

Mr. R. L. YOUNG: I would like to explain to the Premier what I meant when I interjected. I cannot remember his words exactly, but I think he said he wanted to encourage land developers to put land on the market rather than hold it back at the 30th June, and to encourage them to do so he wants to put them in the position which they were in before the entire land taxation situation was amended by the previous Government. That is not what will happen under this measure. I hope the Government will accept the amendment which I propose.

Mr. J. T. Tonkin: Tell me what the Bill does.

Mr. R. L. YOUNG: I could explain exactly what it does if the Committee would tolerate my explaining it again.

Mr. J. T. Tonkin: Tell me what you think.

Mr. R. L. YOUNG: I will tell the Treasurer exactly what the Bill does. The total unimproved land, in broad hectares, is aggregated with the land that is subdivided and ready for sale. A rate applicable to all that land is struck according to the measure.

A rebate is payable on the difference between taxation assessed on the subdivided land ready for sale at the unimproved value rate and that assessed on the same land at the improved value rate. The difference between those two figures becomes the rebate which is deducted from the aggregate total of taxation. Is that what the Bill does?

Mr. Lapham: The land you are dealing with in those two sections is rated not on the aggregate but as though it were the only land that is held.

Mr. R. L. YOUNG: The member for Karrinyup has the point exactly. It is being treated as a completely separate item. Under all rebating systems of taxation the idea is not to isolate an item of assessable income for the purposes of taxation. We cannot tax something in isolation at a certain rate and then deduct that figure from a total. That is not what a rebate is. A rebate comes about after providing for a fair rate to be struck based on the overall average of all the rates of taxation up to that point.

Let me draw an analogy to income tax rebates. Let us consider the case of a man with a high taxable income who is entitled to a rebate of tax. It would be totally unfair to say, for argument's sake, that the rebate he was entitled to in respect of \$1,000 income—which would not be taxable

—would be the rebate for the total amount of the taxation he paid. That would be totally unreasonable because the amount would be so low that no tax would be struck on it at all.

Let us now consider an amount of \$4,000 in connection with an income of \$20,000. Simply to tax \$4,000 at the rate applicable to \$4,000 and to deduct that from the total taxation is not a rebate at all but a gesture. The Government is only making a gesture with this measure. If we want to make this work we must not make a gesture but, instead, do what the Treasurer said. We must put the person concerned in the same position as he would have been in had the measure not been introduced and had the previous Government not made the recommendation.

Mr. J. T. Tonkin: It is an expensive gesture because it will cost \$750,000.

Mr. R. L. YOUNG: I admit it is an expensive gesture at \$750,000 and it will be even more expensive under my system. We are not talking about the effect on the Treasury but we are talking to the legislation before the Committee. We are deciding whether or not the measure is reasonable and will encourage people to put land on the market.

If the Premier's move is meant to encourage people to put land on the market I make the point that my move will encourage them not only to put it on the market more readily but also in a more orderly fashion. In the case of subdivided land being put on the market, we can be quite sure that there will be a constant supply if there is a constant flow. With a constant supply and demand the prices will level out in a more reasonable way.

Mr. Lapham: That is a theoretical thought.

Mr. R. L. YOUNG: It is not theoretical. Unfortunately, under the Land Tax Assessment Act, a person is only taxed during the following year on the land which he owns on a specific day. Therefore, it is possible for developers to take the attitude that they will get cracking on the 1st July in an effort to cut through 400,000 miles of red tape and finally get a piece of subdivided land onto the market ready for sale. They make every effort from the 2nd July to do this before the 30th June next and, if they do not make it, they do not make a final application. It remains land which is not subdivided and is not available for sale.

This is the stop-start system we must eradicate. We must make developers continue to keep a constant supply of land on the market at reasonable prices. If we fix the rebate according to the average of the rate of taxation we will ensure that developers will act in a more orderly fashion in marketing the goods they have—that is, the land.

If the Treasurer does not accept anything which I have said perhaps he will accept that, if he believes his plan will encourage developers to do this, my plan will encourage them to do it more quickly.

Mr. J. T. TONKIN: The proposed subsection, which is really under discussion, provides for assessing subdivided land at both improved and unimproved rates for taxation purposes. Let us consider subdivided land because, after all, we want to increase the quantity of subdivided land which is available on the market. Consequently we would assess this land twice, once at the unimproved rate of taxation and once at the improved rate. We would then take the difference between the two and deduct that from the total taxation computed on the whole of the land.

Mr. R. L. Young: Which I have now explained three times.

Mr. J. T. TONKIN: That is as far as I am prepared to go. This is the inducement which I believe, and am advised, will be sufficient to encourage developers to put more subdivided land onto the market. I suggest that we try this system and, if it does not have the desired effect, I will be prepared to give consideration to further inducement, because I want to adopt some method which will result in large areas of subdivided land being put on the market to meet the demand as it occurs from time to time. We do not want developers to refrain from subdividing land because they fear that, if they do, they will pay much more taxation than would otherwise be the case. It is as simple as that. It will cost the Treasury \$750,000 to do this which, I suggest, is quite a reasonable impost to put upon revenue in order to achieve this result. At this stage I am not prepared to go further.

Mr. R. L. YOUNG: The Treasurer has not told the Committee anything which I have not already said. I am glad he understands the amendments and recognises that I do. The only conflict between us relates to how far it should go. This is as far as we have reached. Now that both of us understand the measure completely and thoroughly I intend to move my amendment, because if we are to do something it should be more than a gesture. We may as well go as far as we can in trying to encourage developers to put land on the market. More importantly, perhaps, we should make the action fit in with accepted rebate practice of taxation by striking it at the average level and not at the lowest. I am certainly not suggesting it should be struck at the highest level. I move an amendment—

Pages 2 and 3—Delete subsection (2) of new section 8E with a view to substituting a new subsection.

Sir Charles Court: You should explain what you intend to move in lieu.

Mr. R. L. YOUNG: If I were to explain, I would simply be reiterating what the Treasurer and I have said for the last half hour. My purpose is simply to ensure that the rate of rebate will be struck on the average as distinct from the lowest level of the amount of taxation currently available under the aggregate system.

Mr. J. T. TONKIN: For the reasons I have already given I am opposed to the amendment.

Amendment put and negatived.

Clause put and passed.

New clause 4—

Mr. HUTCHINSON: I propose that a new clause be inserted in the measure. I hope the Treasurer will not be as fixed in his stand in regard to this proposition which is somewhat simpler, I would say, than the one which has just been defeated.

In brief, my amendment seeks to assist the home owner by not making him pay land tax on his own home. This is not a matter which will cost a great deal of money.

The Treasurer has said, in respect of the prime purpose of the legislation, that his concessions will cost the Government in the vicinity of \$750,000. The concession I seek will not cost anywhere near that figure. I am not able to say with any certainty what the amount would be because I do not have available to me the facilities which the Treasurer has. Indeed, even without the advice of his Under-Treasurer or others, the Treasurer may make a better guess at the figure than I could, but I think it would not be much more than \$30,000, if that.

I will now give an example to illustrate my point that the amendment is simple. A man may own a home on which the unimproved value of the land on which the home is built is, say, \$9,000. If that is the only property he holds he is exempt from paying tax. Suppose the man has another property held against his old age or for his family who may find it difficult to make their way in the world. The unimproved value of that land is, say, \$8,000. For the purposes of land tax under the Land Tax Assessment Act, the two valuations are aggregated and, in this simple case, would come to \$17,000. The man would have to pay land tax on that sum.

Under my proposition, the man would pay land tax only on the difference between \$17,000 and the value of his home, which is \$9,000. In other words, he would pay tax on \$8,000 instead of \$17,000. Many people come into this category.

There is a further amendment, which is the second one of the three legs. This follows the pattern, as I said during the second reading, of giving scaled down assistance to those who own an aggregation of property valued up to \$50,000.

This is an amount equal to \$10,000 less \$1 for every \$4 by which that sum remaining exceeds \$10,000. It is a scaled concession on the same principle as that included in the Bill at the present time.

The next part deals with any other case. This is to cover any property which does not fall into the other categories, but where the aggregate value is over \$10,000 and under \$50,000. The owner of such a property should receive a rebate by way of a reduction of \$10,000 from the aggregate; in other words, a property owner would pay land tax on the lesser amount. I move —

Page 2—Add after clause 3 the following new clause to stand as clause 4—

4. Section 11A of the principal Act is amended by deleting paragraph (b) of subsection (2) and substituting the following paragraph—

(b) if that aggregate exceeds ten thousand dollars—

(1) if one of those estates or parcels is improved land not exceeding one-half acre in area, where

(a) the owner is ordinarily resident on the estate or parcel,

(b) the estate or parcel is used principally for residential purposes, and

(c) the improvements thereon consist of a dwelling house, or a dwelling house and out-buildings, only

an amount equal to the unimproved value of that one estate or parcel, or an amount of ten thousand dollars, whichever is the lesser and

an amount equal to ten thousand dollars less one dollar for every four dollars by which that sum remaining exceeds ten thousand dollars.

(2) in any other case an amount equal to ten thousand dollars less one dollar for every four dollars by which that aggregate exceeds ten thousand dollars.

I trust the Treasurer will agree to the new clause. I realise that perhaps he has had insufficient time to study its implication and the cost to his Government. However, he may be able to give me an assurance that he will ask the Under-Treasurer and his officers to look at it and perhaps agree to its implementation in the future.

Mr. J. T. TONKIN: Although the new clause proposed by the honourable member is within the title of the Bill, it is quite foreign to its purpose. I repeat that there is only one reason for the present legislation and that is an attempt to increase the flow of subdivided blocks onto the market. The amendment proposed would do nothing towards that objective.

Mr. Hutchinson: It is a desirable amendment, is it not?

Mr. J. T. TONKIN: A lot of things are desirable in their places.

If the proposed new clause would assist in achieving the objective of placing more subdivided blocks onto the market, one could give more consideration to it. However, it would do nothing to help the achievement of the objective. I am prepared to forgo \$750,000 to achieve this objective, and I cannot see why I should be prepared to forgo an extra \$X for a provision which would not help me at all. The Land Tax Assessment Act is under consideration for further amendments with different objectives, so the amendment put forward by the member for Cottesloe can receive consideration if and when further amendments are brought forward for consideration. I am not prepared to entertain it at this stage.

Mr. HUTCHINSON: I am sorry the Treasurer has adopted this attitude. I would like to say that in many ways private members are hampered in their ability to sway a situation, and this applies particularly in so far as legislation affecting the Treasury is concerned. If he sees an injustice, a member cannot introduce a private member's Bill which would make a charge on the Crown.

Mr. J. T. Tonkin: Why did you not approach the Treasurer when you were a Minister?

Sir Charles Court: We got him to do a lot of things.

Mr. HUTCHINSON: This was not brought to my notice at the time; I was busily engaged doing other things. I would have spoken to the Treasurer had the issue been raised.

Mr. J. T. Tonkin: You would have got as far as you are getting now.

Mr. O'Neill: I do not think so.

Mr. HUTCHINSON: I do not think the Treasurer is correct in that assumption. The member for Greenough, when Treasurer, introduced legislation to ease the tax burden on home owners to a great extent.

Mr. J. T. Tonkin: The last Bill he introduced increased land tax; it did not reduce it.

Sir Charles Court: A tremendous concession.

Mr. O'Neill: Exemption from tax up to \$20,000.

Mr. HUTCHINSON: The Treasurer is being unfair. We have already discussed the reason for the increase in land tax. The next logical step—and the Treasurer is taking it on this occasion—is to reduce the incidence of land tax. Our endeavour was to bring subdivided land onto the market.

Private members are unable to do anything about a situation concerning money. The long title of the present legislation gives a private member the opportunity to attempt to persuade the Treasurer of the day to see his point of view. Often the Treasurer has so much work that he cannot see the wood for the trees. Perhaps this legislation will not be proclaimed until the present Opposition is back in power.

It would be a worthy achievement if the present Treasurer would ease the burden on home owners in this respect. I submit this is a legitimate amendment for a private member to put forward when an opportunity arises perhaps to rectify an injustice. Even at this late stage I hope the Treasurer will agree to it.

New clause put and negatived.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

MR. J. T. TONKIN (Melville—Treasurer) [9.39 p.m.]: I move—

That the Bill be now read a third time.

MR. R. L. YOUNG (Wembley) [9.40 p.m.]: I went into some detail in my second reading speech and during the Committee stage in regard to an amendment I proposed to move. This amendment was unacceptable to the Treasurer and it was defeated. However, having already explained the basis of the amendment, I would like to read my proposed new subsection for incorporation in *Hansard*. It reads—

(2) For the purposes of subsection (1) of this section, the amount of the rebate to be made to an owner in respect of a year of assessment referred to in that subsection is the amount ascertained by deducting from the amount of land tax that would have been payable by him for that year of assessment the difference between the amount of land tax that would have been payable by him for that year of assessment on those estates or parcels at the average rate of land tax over his total holding and the amount of land tax that would have been payable by him for that year of assessment had those estates or parcels been on that last mentioned day, land that was

deemed to be improved land and the only land of which he was, on that last mentioned day, the owner.

Perhaps this was not clear to every member, and it is for this reason that I wish my proposed amendment to be recorded in *Hansard*. I feel it is very important that members are aware of the exact provision I proposed.

Question put and passed.

Bill read a third time and transmitted to the Council.

PRE-SCHOOL EDUCATION BILL

Council's Amendments

Amendments made by the Council now considered.

In Committee

The Chairman of Committees (Mr. Bateman) in the Chair; Mr. H. D. Evans (Minister for Lands) in charge of the Bill.

The amendments made by the Council were as follows—

No. 1.

Clause 2, page 2, line 2—Add after the word "proclamation" the following passage—

"after the annual general election of the members of the board of management of the Kindergarten Association of Western Australia Incorporated, next following the enactment of this Act in accordance with clause twenty-three of the Constitution of that Association".

No. 2.

Clause 7, page 5, line 8—Delete the word "eleven" and substitute the word "thirteen".

No. 3.

Clause 7, page 5, line 10—Delete the word "five" and substitute the word "seven".

No. 4.

Clause 7, page 6, line 23—Delete all words after the passage "Association," down to and including the word "union" in line 28 and substitute the words "and who is elected by and from amongst the persons who are pre-school teacher graduates of the institution or institutions of that kind recognised by the Minister for the purposes of this Act, according to the preferential system of voting and in the prescribed manner".

No. 5.

Clause 9, page 8, line 11—Delete the word "two" and substitute the word "three".

No. 6.

Clause 9, page 8, line 15—Delete the word "three" and substitute the word "four".

No. 7.

Clause 14, page 10, line 24—Delete the word "five" and substitute the word "seven".

No. 8.

Clause 14, page 10, line 25—Delete the word "two" and substitute the word "three".

No. 9.

Clause 14, page 10, line 26—Delete the word "two" and substitute the word "three".

No. 10.

Clause 29, page 18—Add after sub-clause (8) the following sub-clauses—

(9) Where an applicant body is aggrieved by a decision of the Board given under this section, it may, within twenty-eight days of receiving from the Board the notification of the decision, appeal in writing to the Minister setting out in the appeal the reasons on which the appeal is made.

(10) The Minister shall consider every appeal made to him in accordance with sub-section (9) of this section and may confirm, vary or set aside the decision of the Board, and the decision of the Minister is final and not subject to any appeal.

No. 11.

Clause 34, page 22—Add after sub-clause (5) the following sub-clauses—

(6) Any person aggrieved by any decision made under the authority of this section may within twenty-eight days of receiving notification of the decision, appeal in writing to the Minister setting out in the appeal the reasons on which the appeal is made.

(7) The Minister shall consider every appeal made to him in accordance with sub-section (6) of this section and may confirm vary or set aside any such decision.

Mr. H. D. EVANS: I move—

That amendment No. 1 made by the Council be agreed to.

This measure has been debated at length in this Chamber and in another place. The amendments made by the Council are

acceptable to us. In another place it was considered desirable to enable the parents who will elect the members to the new board a greater range of selection.

Mr. MENSAROS: It is indeed pleasing for the Opposition that the Government has adopted this attitude, because these amendments, except for the last two, express the same sentiments we expressed in this Chamber before the Bill left for another place. Indeed, we moved amendments which had the same purpose as those moved by the Legislative Council.

This amendment virtually assures that not one of the fighting factions of the Kindergarten Association will nominate elected members, but there will be an opportunity to hold an election and to allow the association to decide whom it wishes to elect. However, instead of five people being elected, the number will now be increased to seven.

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

Mr. H. D. EVANS: I move—

That amendment No. 2 made by the Council be agreed to.

The purpose of this amendment is to increase the membership of the board from 11 to 13.

Mr. MENSAROS: Briefly, it is opportune that we should comment on this amendment. We, of course, agree with the Minister, because this is another way to achieve the same purpose. What we sought to achieve was to have a majority of parents on the board. Instead of reducing the number of Government appointees to the board, the number of selected parents has been increased, and this achieves our aim. We agree to the amendment.

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

Mr. H. D. EVANS: I move—

That amendment No. 3 made by the Council be agreed to.

This amendment seeks to increase the representative members from five to seven which, as indicated in the previous amendment, increases the sum total from 11 to 13.

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

Mr. H. D. EVANS: I move—

That amendment No. 4 made by the Council be agreed to.

This amendment seeks to delete all words after the passage "Association," down to and including the word "union", from line 23 to line 28. The amendment then proposes to substitute a further passage which reads—

"and who is elected by and from amongst the persons who are pre-school teacher graduates of the insti-

tution or institutions of that kind recognised by the Minister for the purposes of this Act, according to the preferential system of voting and in the prescribed manner".

I ask the Committee to agree to this amendment.

Mr. MENSAROS: It is appropriate that some explanation should be given of this amendment. Our intention in regard to this clause was not so much to preclude the teacher, which suggestion met with some justifiable opposition, but that this particular teacher should not be appointed on the recommendation of one union. He should be elected from among the teaching fraternity. This amendment takes care of this and therefore we support it.

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

Mr. H. D. EVANS: I move—

That amendments Nos. 5 to 11 made by the Council be agreed to.

Amendments Nos. 5 and 6 are consequential on the previous amendments which will increase the numbers on the board. They are also consequential in the case of those members who will have their tenure of office increased in the manner suggested. Amendments 7 to 9 deal with the composition of a quorum and, as suggested, this has been increased from five to seven. Three members shall be nominated and three shall be represented. To some extent this provision is also consequential on the increase of the numerical strength of the board.

Amendment No. 10, which seeks to amend clause 29, provides for an appeal where approval may not be granted to a particular organisation. The amendment will add two subclauses; namely, subclauses 9 and 10 to clause 29.

Clause 34 is amended in a similar manner by adding two subclauses; namely, subclauses 6 and 7. This will give an opportunity to a person to lodge an appeal in the situation indicated in that particular clause.

Mr. MENSAROS: The Opposition supports these amendments. As the Minister has said, the first ones are entirely consequential to the increased number of members on the board, and the last two are novel amendments which we have not discussed in this Chamber. Nevertheless, I think the Council is very wise in putting them forward because they will allow for an appeal against the decision requesting the establishment of pre-school education centres. They may be approved, or may have to work under a permit in accordance with the conditions laid down by the board. Those working under permit will be the private kindergartens, but if they are not granted a permit they will have the right

of appeal to the Minister; that is, where approval has been rejected by the board, or where a permit, on the recommendation of the board, has not been granted by the Minister.

This is not entirely an appeal from Caesar to Caesar, because the Minister, according to the Bill, makes his first decision on the recommendation of the board. If he deals with the appeal he is not bound by the recommendation of the board; he is bound only by the conditions which exist at the time the appeal is considered, and according to the regulations brought down under the provisions of the Act. We support the amendments.

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

Report

Resolutions reported, the report adopted, and a message accordingly returned to the Council.

EDUCATION ACT AMENDMENT BILL (No. 3)

Second Reading

Debate resumed from the 15th May.

MR. E. H. M. LEWIS (Moore) [9.56 p.m.]: This is a very simple Bill, containing two important clauses: one to amend a section of the Act and the other to repeal a section. These amendments are necessary because of the Bill currently before Parliament to set up a pre-school education board. Subject to the passage of that Bill through Parliament, the two sections in the Act—section 3 setting out a definition, will need to be amended, and section 34A, in view of the fact that it will become redundant—should be repealed.

The Bill comprises four clauses. Clause 2 is very significant because, as is common with many Bills, it merely states that the Act shall come into operation on a date to be fixed by proclamation. Obviously, if the Pre-School Education Bill now before the Parliament is not passed, this measure to amend the Education Act cannot be proclaimed, otherwise there would be no administration in existence for the conduct of kindergartens. However, as we assume the Pre-School Education Bill will be passed by Parliament, this Bill has been introduced.

Section 3 of the Education Act sets out various definitions, including the definition of "kindergarten". I will not go into that definition now, because we have a definition of pre-school centres placed in the Pre-School Education Bill, where it should be. Section 34A of the Education Act provides for permits to be granted for the establishment of kindergartens and for the supervision of them by the Education Department. I repeat that since that provi-

sion has already been included in the Pre-School Education Bill this section in the Education Act will become redundant.

These two sections in the Education Act—that is, the one setting out the definition of a "kindergarten" and section 34A which deals with the establishment and conduct of kindergartens—were placed in the Education Act by Act No. 30 of 1943—just 30 years ago. Perhaps it is noteworthy that in that particular Act one part provided for kindergartens and the other part increased the school leaving age; just the two extremes of what we might refer to as formal education if I may be excused for referring to kindergartens as an area of formal education.

Considerable debate took place on the 1943 Bill, when nine members of this Chamber participated. Practically all of the debate centred around the school-leaving age, and very little around the kindergartens.

I want to refer to the part of the Bill relating to kindergartens—now appearing in section 34A of the Education Act—which proposes to delete that provision. The substance of this section in the Education Act has been placed in the Pre-School Education Bill with necessary amendments, because a pre-school education board is to be set up. This board is to make recommendations, but the Minister will have the power to approve or reject such recommendations. In other words, the Education Act Amendment Bill (No. 3) provides that a permit cannot be obtained from the Minister direct, unless a recommendation has been made by the pre-school education board.

Section 34A (3) of the Education Act prescribes that a permit to conduct a kindergarten shall not be given to a male person, but no such inhibition appears in the Pre-School Education Bill.

In introducing the Bill before us the Minister said that possibly the most important aspect which would result from the repeal of section 34A was that a male person would be enabled to teach in Western Australian kindergartens or pre-school education centres. He went on to say—

Section 34A of the parent Act prohibits a male person from being actively concerned with teaching in a pre-school centre or a kindergarten, whereas the prohibition does not exist in the pre-school Bill at present before Parliament. The repeal of the particular section will mean that the possibility to which I have referred will become a reality.

It does not follow it will become a reality, because where a kindergarten proposes to employ a male teacher it should be noted that the application for a permit must

set out the staff to be employed and the other conditions applying to the kindergarten before the proposed pre-school education board will make a recommendation to the Minister.

Whether a male teacher is employed or not depends on the circumstances. It must be borne in mind that the board will have to make a recommendation that a permit be granted, so it does not follow that a male teacher will be employed at a kindergarten. I imagine that the board in the first place, and the Minister in the second place, will be most reluctant to grant such a permit where the only teacher to be in charge is a male teacher. I am not casting a reflection on male teachers, but the duties which they inevitably will have to undertake sometimes when they are placed in charge of children from the age of three to five years are such that female teachers are more suitable. I believe that many parents would be much happier to have their children, particularly in the case of young girls, placed under the charge of a female rather than a male kindergarten teacher.

I hope the Minister will have a searching look at this aspect before he grants any permit. When the debate on the Pre-School Education Bill took place in this House I questioned the Minister for Education on the aspect of employing male kindergarten teachers. As far as I can gather he did not make any comment to the effect that he considered it desirable for a male kindergarten teacher to be employed.

I refer to the Nott report. The only suggestion relating to male kindergarten teachers appears on page 32. It will be noted that Magistrate Nott made comments on various representations, and having made those comments he followed them up with recommendations. This is what he has to say in respect of male teachers —

A further suggestion made in more than one submission was that the Education Act should be amended to permit males to enrol at the College with a view to becoming kindergarten teachers. After studying the reports on this subject I can see no reason why this course should not be adopted. Psychologically it appears extremely desirable that males should be associated in educational institutions with children of all ages, particularly during the period 3 to 7 years.

In many respects I do not agree with that report. Magistrate Nott said "particularly during the period 3 to 7 years". We know that many male teachers especially in one-teacher schools teach children of six years of age, or a few months before that age, when they first enter primary school.

When Magistrate Nott made his recommendations on that particular term of reference he did not mention male teachers. The only recommendation he made in this regard was—

That the Kindergarten Teachers' College be incorporated into the Western Australian Institute of Technology with a view to becoming a member of a multi-purpose, multi-campus institution.

He made no recommendation regarding the employment of male teachers.

I support the Bill, which is not a controversial one. It is necessary, because of the introduction of the Pre-School Education Bill. For that reason section 3 of the Education Act should be amended to delete the reference to kindergartens, as this is no longer required; and section 34A which deals with the issue of permits for the conduct of kindergartens now becomes redundant by the inclusion of the provision in the Pre-School Education Bill.

I support the Bill before the House.

MR. MENSAROS (Floreat) [10.08 p.m.]: My contribution to this debate will be very brief, because the member for Moore has stated practically everything that can be said in connection with the Bill. If we look at the provisions of the Act which the Bill proposes to delete and those which are in the Pre-School Education Bill as substitution, we see that the most significant difference is the question of a male teacher being permitted to carry on and conduct a kindergarten, which will now be known as a pre-school education centre.

The rest of the provisions in the Pre-School Education Bill—with small differences in technicalities—are the same as those in the Education Act which are proposed to be deleted. I venture to suggest that the provisions in the Pre-School Education Bill are more democratic, inasmuch as permits cannot be revoked on three months' notice, as is the case under the Education Act; nor can they be cancelled on one month's notice, as is also the case under the Education Act.

Perhaps with a little help from the Opposition the Pre-School Education Bill as now before us will provide that once a permit is granted it will not apply for a period of one year, as is the position under the Education Act, but almost *ad infinitum*.

Whereas under section 34A of the Education Act, which the Bill proposes to repeal, only one type of kindergarten had to obtain permits from the Minister, now there are to be virtually two types which have to obtain permission. One has to have the approval of the board, and the other which seeks to remain outside the auspices of the board has to obtain a permit from the Minister.

The direct control by the Minister ceases, and this should be the case once we accept the Pre-School Education Bill which creates the board. One of its functions is to recommend, and in some cases to decide, on matters relating to pre-school education.

I am glad to see that the supervision of the Education Department will remain, because some reference is made in the Pre-School Education Bill to the inspectors of the department, as has been done in the Education Act. Of course, the direct control by the Minister is diminished somewhat, but that again is understandable as a result of the creation of the board.

Although the section of the Education Act which the Bill now seeks to repeal does not contain a great number of conditions, the provision in the Pre-School Education Bill has even fewer; and it leaves the conditions to be regulated at a later stage because it uses expressions such as "subject to the requirements of the board" and "in a manner acceptable by the board".

So the Bill proposes to change something which we know—through experience of how the Education Act was administered—to something which we do not as yet know. However, we hope and trust that the change will not be to the detriment, but indeed to the benefit, of pre-school education centres whether they be approved or whether they operate under permit.

I support the Bill.

MR. H. D. EVANS (Warren—Minister for Lands) [10.13 p.m.]: I thank both members opposite for the support they have given to the Bill. In particular I thank the member for Moore for the very clear exposition that he gave, and for the detailed appreciation he has of education, as he is a former Minister for Education.

Only two provisions in the Education Act are involved in the amending Bill, which firstly seeks to delete the redundancy of the provision relating to kindergartens appearing in section 3 of the Act, and secondly to repeal section 34A. In his contribution the member for Moore made reference to the question of staffing of kindergartens, and the engagement of male teachers.

I think this is one of many considerations that would apply when the granting of a permit and the general appraisal of the administrative aspect of an establishment is under consideration by the board. I do not think this is a matter that should be isolated, especially in view of the aspect that was considered by Magistrate Nott, dealing with a psychological necessity. This would be one of the factors that would be regarded in the issuing of a permit by the board; and I feel happy in the knowledge of the security that it offers.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Mr. H. D. Evans (Minister for Lands), and transmitted to the Council.

EDUCATION ACT AMENDMENT BILL

Council's Amendment

Amendment made by the Council now considered.

In Committee

The Chairman of Committees (Mr. Bate-man) in the Chair; Mr. H. D. Evans (Minister for Lands) in charge of the Bill.

The CHAIRMAN: The amendment made by the Council is as follows—

Clause 3, page 2, after line 15—Add a paragraph as follows—

(c) by inserting after subsection (2) a new subsection as follows—

(2a) For the year commencing the first day of January, 1973, and for each of the next succeeding four years the amount specified under subsection (1) of this section shall not be less than, in the case of a scholar who is in any year of a course of primary education, thirty dollars per annum; and in the case of a scholar who is in any year of a course of secondary education, forty dollars per annum.

Mr. H. D. EVANS: It would appear that the other place sought some assurance regarding the level of payment to be made available to students of primary schools. The amount referred to in this instance is \$30 for primary school students and \$40 for secondary school students to be paid as from the beginning of this year. The payment has been increased by 20 per cent. by the Commonwealth provided the State pays a like amount.

The other place felt that this amount should be specified in the Act for the period of five years. Obviously, and correctly so, this Parliament could not commit another Parliament to any specified amount. The contribution might be withdrawn at its source, at any time. Furthermore, it has been suggested that future payments could involve the needs basis principle to a far greater degree, and complicate the situation. It was decided that by way of assurance the level of assistance offered should not fall below \$30 for primary school students and \$40 for secondary

school students. That amount will be guaranteed to parents for the next four years. I move—

That the amendment made by the Council be agreed to.

Mr. E. H. M. LEWIS: The Minister has indicated that he agrees to the amendment made by the Legislative Council. While I support the Minister in his remarks, I do not quite agree with some of his reasoning and I refer, particularly, to his statement that it would not be fair for one Government to commit another. We have had this all along the line. Indeed, this legislation deals with subsidies granted to non-Government schools, and successive Governments have passed legislation which has been carried on. There is nothing wrong with the Government committing future Governments.

Mr. H. D. Evans: The point I was making was that it may not be possible to commit a Commonwealth Government from whence the money for this year has emanated. To that extent it would not be practicable to give a guarantee.

Mr. E. H. M. LEWIS: I thank the Minister for his comment. However, the Minister for Education made it very clear that he was not committing himself to what the previous Commonwealth Government decided last year when it granted a subsidy to non-Government schools on the basis of 20 per cent. of the average national cost of educating a child. The Minister said he could not accept that because the present Commonwealth Government was setting up a committee of inquiry into the needs of non-Government schools. He said that while he was prepared to commit the State Government to subsidising non-Government schools by matching the Commonwealth subsidy of 20 per cent., he was not prepared to commit himself after 1974 pending the result of the Commonwealth inquiry.

We were not able to pin the Minister down to commit himself for a period of five years, but the other place has now decided to try to ensure that the subsidy will continue for a period of five years and will be no less than the subsidy which this Government committed itself to giving to non-Government schools by way of amendment in 1972.

The Legislative Council amendment seeks only to confirm the payment for the next five years. The Minister for Education has already committed himself to give more generously than that during the current year and next year, without committing himself for subsequent years, so I understand why the Government has no hesitation in approving the amendment.

Mr. MENSAROS: We support the amendment, although I am not very cheerful about it. We attempted to amend clause 3 when the Bill was in this Chamber

so that we would have a statutory assurance that even if the amount which has been promised by the Commonwealth Government would not continue for the proposed five-year term, at least the amount promised by the State Government would do so.

Some of the technical difficulty of our proposed amendment was that it included the national average cost, to which the Minister for Education objected. He said there might not be a national average assessed at all. However, he was quite happy to pay the State contribution, without there being a provision in the Bill. It was argued that it was harder to draft something into a Statute than it was to draft a regulation, and that the Minister will now be able to apply the subsidy by way of regulation.

The amendment which the Minister proposes to accept will ensure that some concrete amount of aid is integrated into the Statute. Secondly, it will commit the Government—by way of token only—to a *per capita* contribution for a period of five years.

Without doubt, it is the endeavour of the Commonwealth Government to base this help on a so-called needs basis and disregard those who have already achieved something and who are classified as affluent. The State Government will be able to keep the payment to a minimum but, at least, the principle is recognised. Contrary to the feeling on the other side, we do not look forward to the Commonwealth taking over education, or any other matter, which constitutionally belongs to the State.

However, statements made by the Government imply that it is waiting for it and looking forward to it. Even the Minister representing the Minister for Education talks about what the Commonwealth will do when it takes over education. I remind the Committee that during the second reading debate I said the Minister was waiting for the time when he would be reduced to a filing clerk and would have nothing to do with education on account of the growing influence of the Commonwealth.

I believe that as Western Australians we should object to it. We are entitled by right to our part of the general grants which are paid from income tax and the rest of it, and we should not have to beg for special grants which have strings attached to them. The general grants rightly belong to the State Administration. I support the amendment.

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

Report

Resolution reported, the report adopted, and a message accordingly returned to the Council.

PUBLIC SERVICE ACT AMENDMENT BILL

Second Reading

Debate resumed from the 16th May.

SIR CHARLES COURT (Nedlands—Leader of the Opposition) [10.32 p.m.]: At the outset, I would like to say across the Chamber to the Premier that it would help us greatly if his Ministers would let us know when they intend to bring on items which are not scheduled.

Mr. J. T. Tonkin: We do not know when messages will come down. These messages came down this evening.

Sir CHARLES COURT: But the Minister who is going to introduce them could send a note across to us. He had them earlier this evening.

Mr. Jamieson: Did you not have a copy of the amendment?

Sir CHARLES COURT: Yes, but the Minister did not tell us he was going to bring it on. If the Government wants co-operation, it should co-operate. We have received advice from the Premier regarding amendments to the notice paper and we have accepted it. All of a sudden, we find a Minister giving notice of a message, which could relate to a member who is not in the Chamber at the time. It is only a matter of courtesy, and if the Government gives us notice we will co-operate.

Mr. Graham: It is not unusual at this time.

Mr. H. D. Evans: Your message is noted.

Sir CHARLES COURT: This particular Bill is one of two dealing with the Public Service Act. The Premier explained the amendment, which in this instance deals with representation of the Civil Service Association on the Public Service Board.

It is very important that we understand the background to the establishment of the Public Service Board. The provisions in the Public Service Act dealing with the board were incorporated in 1970. The then Government gave consideration to representations from the Civil Service Association for the inclusion of provisions for the association to have a nominee on the board. In the present Bill the Government proposes that the association should submit a panel of names from which a person would be selected to become a commissioner of the Public Service Board.

In 1970 we considered this proposal long and, I believe, quite fairly, and the idea was rejected, as we now reject it. It must be realised that the Public Service Act under which we work in this State deals with the set-up of the Public Service and all the matters which, in broad terms, deal with the administration of the service. We felt it was improper, undesirable, and not in the best interests even of the association for it to have a nominee on the board.

We do not want the Public Service Board to be confused with the Public Service Appeal Board, where an entirely different situation exists. Appropriate representatives of officers concerned in appeals may be nominated as members of the appeal board. These are divided broadly into two categories. In one category the representative must be nominated from the group most appropriate to that category. I refer to section 3 of the Public Service Appeal Board Act, which says that if the appeal is in respect of certain people—

... the Board shall consist of a judge who shall be chairman, one member to be appointed by the Governor, and one member to represent the Division of the Public Service concerned, to be elected in the prescribed manner by the members of the Association.

Subsection (3) of that section refers to the situation when the appeal is made by officers within another category, in which case—

... the Board shall consist of the Public Service Arbitrator appointed under the Public Service Arbitration Act, 1966, who shall be chairman, one member to be appointed by the Governor, and one member to represent the Division of the Public Service concerned, to be elected in the prescribed manner by the members of the Association.

The appeal procedure has therefore been clearly laid down in the special appeal board provisions contained in Act No. 14 of 1920, which was amended as late as 1966.

I mention this because it is pertinent to understand the reason for the position in Victoria being different from that in Western Australia and the other States. In the course of his remarks the Premier told the House that in Victoria the association was represented on the board. The Victorian Statute is the Public Service Act, 1958, with subsequent amendments, but it deals with a wider range of responsibilities than does the Public Service Act of Western Australia. In other words, under the Victorian Act the board can also determine appeals and provision is made for the appointment of people to act on the board according to the classifications under consideration. It is not a case of one person being appointed to act on the board all the time, but a person of the appropriate classification is appointed, rather like the situation in respect of the Western Australia Public Service Appeal Board Act.

If members understand the difference between these two functions which have been separated in Western Australia—one in the Public Service Act and the other in the Public Service Appeal Board Act—they will better appreciate why we believe it is not in the best interests of the Public Service to have a nominee of the Civil

Service Association appointed to the board constituted under section 7 of the Public Service Act.

We do not reflect on the association or its members, but in view of the function of the board under the Act the reasons for our rejection of the proposition in 1970 are just as valid today. The proposition was not rejected lightly but on the advice of the Government's advisers at the time and following our own mature consideration of it in Cabinet.

The argument is advanced that the proposal is in the interests of industrial peace. This argument has been advanced in many cases in respect of boards and the like, but it just does not work out. In any case, this is a different situation, where a nominee of the Civil Service Association could be sitting on the board in the ordinary course of its administration and its responsibilities under the Public Service Act when it is deliberating on quite senior appointments. For instance, the appointment of an under-secretary or a person in one of the higher grades might come up, and I believe it would be improper to embarrass the person from the association, as well as the person involved in the appointment and other members of the board, through the Civil Service Association nominee being as of right a member of the board.

Reference was made to the fact that in Queensland a person who was a former secretary of the association had been appointed to the board in that State. That actually happened. I am not suggesting a person who has been a member or an office bearer of the association could not, if he has the ability at a later date, fill one of the vacancies on the board in his own right—but not because he happened to be a nominee of the Civil Service Association. He might be a person who is in every way appropriate and quite detached from the association at that time. So I do not think the Queensland appointment is an appropriate example.

I remind the House that all States except Victoria have avoided the situation the Government now seeks to incorporate in the Statute, and in the case of Victoria it is important for members to understand that the Statute dealing with the Public Service in that State covers the total question right up to appeals, in which case provision is made for a representative of the appropriate division to be elected to the board.

As far as appeals are concerned, our Public Service Appeal Board Act contains a provision which has been well and truly established, whereby the classifications concerned have an appropriate representative on that board dealing with all matters involving appeals. I would say the Civil Service Association is most directly concerned with appeals rather than with the

day-to-day administration of the Public Service, and it is much better that it has its normal communication and liaison with the Public Service Board in respect of the total functions and operations of the Public Service rather than that it should have a direct nominee on that board. I believe it will make for greater harmony if we retain the present system.

I do not know why the Civil Service Association is so anxious to have a nominee on the board when we have appeal procedure which is quite separate from the Public Service Act. In dealing with the first of the two Bills relating to the Public Service, I would like to make it very clear that the Opposition is opposed to the amendment put forward by the Government.

SIR DAVID BRAND (Greenough) [10.44 p.m.]: If one read in *Hansard* the debate which took place in 1970, one would naturally expect such an amendment to the Public Service Act to come forward at this stage. It was very clear to me that the Civil Service Association was anxious to have a representative on the board, but I was not impressed by the arguments put forward by a deputation, simply because there was nothing in the arguments except that the association wanted a representative. It could never back up its request by saying what it hoped to achieve for the Public Service generally. Having regard for that fact, the amendment suggested by the Leader of the Opposition at that time was not accepted, and the Government stood firm in establishing a board comprising members who had no special commitment in any direction other than the administration of the Act. It has carried on very well indeed, even if one overlooks the fact that for many years there was no board and no representative of the Civil Service Association.

I do hope the Premier will have regard for the fact that the whole system is working very well. This is not a matter of a political party wanting to make a change merely for the sake of changing things. I would think that no board in any State has worked better than this one. The Leader of the Opposition has already explained why there is a slight difference in Victoria, but only in Victoria.

Before we introduced the 1970 amendments a great deal of research was carried out in respect of what had occurred in other States, and it was clear to me that South Australia saw no advantage in the appointment of a special representative of the public servants. Even after the coming to power of the Labor Premier (Mr. Dunstan) no change was made. Therefore, I think we should get away from the attitude that a representative of the Civil Service Association could achieve

anything for the public servants. In practice it is much better that the board remains neutral.

If the members of the association feel certain matters should be dealt with at a hearing of the board, then I am sure the board—comprising neutral men appointed to represent the Administration as a whole—would adopt an impartial attitude. Anyway, I am sure that the present Government has found the board works well and that the people whom we appointed to it have the interest of the association at heart. For that reason it is not necessary to have a special representative on the board to put the case of the association.

One could say a great deal about this matter. The history of it, of course, is simply that since the Federal Labor Party has been in office an attempt was made to appoint a special representative in the Federal sphere, but it was defeated in the Upper House. I am rather pleased about that decision because in this State the Civil Service Association enjoys a very good relationship with Governments of all colours. I cannot see the necessity for the Bill.

MR. J. T. TONKIN (Melville—Premier) [10.49 p.m.]: I am sorry the Bill finds no favour with members of the Opposition. It was not unexpected, of course, that they would be opposed to it because when we were on the other side of the House we endeavoured to give the Civil Service Association representation on the board, and the then Government opposed it. So members opposite are being consistent.

I would point out that in my policy speech at the State election I undertook if we became the Government to take the necessary steps, so far as it lay within my power, to give the association representation on the board. The Bill is here in fulfilment of that undertaking. We believe it is not unreasonable to give the employees of any industry or any Government service representation on any boards controlling their conditions of employment. The employees will not have a majority on the board; but they will have a voice and will know what is being proposed. The representative will be able to suggest to the board improvements which may not necessarily occur to the other members of the board, but which could be advantageous.

Sir David Brand: Any suggestions that occur to the association may be conveyed at any time to the members of the board.

Mr. J. T. TONKIN: I think it is far more effective to have a voice at the council table than to have a second-hand voice, because one cannot always be certain that the point of view one wishes to be conveyed is conveyed in the manner in which it is intended. I see no possible detrimental effect to the service if employees are given

a representative on the board. In fact, I see some possibility of a very definite advantage.

I believe public servants themselves, recognising they have a representative on the board selected from the names that they put forward, will be more disposed to accept without protest the decisions of the board. That of itself should make for more harmonious relationships between the board and the service. The Deputy Premier has pointed out to me that the employees have representation on the appeal board which deals with decisions that have been made. So why should they not have a voice on this board whilst decisions are being made so that their point of view may be adequately expressed?

Sir Charles Court: If you do that you will defeat the object of having them on the appeal board.

Mr. J. T. TONKIN: I believe no possible harm can result from this.

Sir David Brand: Certainly no good will result from it.

Mr. J. T. TONKIN: On the other hand, I think it could have a very definite benefit. I can understand the member for Greenough being quite adamant in his point of view; he is being consistent with the attitude he has adopted previously. That is his belief, and he is entitled to it.

Sir David Brand: With reasonable results, I think.

Mr. J. T. TONKIN: We on this side of the House believe it is a step in the right direction. I am of the opinion that as time goes on there will be more of this sort of thing adopted in the private sector of the economy; and that employers will recognise advantages are to be derived from giving representatives of the employees a say in the management. This is nothing new, because 50 years ago Lever Hulme saw the virtue of giving the employees not only representation on the management, but also a share in the enterprise.

This is a worth-while step to be taken. I repeat that in our view no harm could result from it, and that possibly advantages will be derived. Furthermore this step is in conformity with an undertaking which we gave at the hustings, and we are duty bound to put it into effect.

Question put and a division taken with the following result—

Ayes—23

Mr. Bateman	Mr. Hartrey
Mr. Bertram	Mr. Jamieson
Mr. Bickerton	Mr. Jones
Mr. Brown	Mr. Lapham
Mr. Bryce	Mr. May
Mr. Burke	Mr. McIver
Mr. Cook	Mr. Sewell
Mr. Davies	Mr. Taylor
Mr. H. D. Evans	Mr. A. R. Tonkin
Mr. Fletcher	Mr. J. T. Tonkin
Mr. Graham	Mr. Moller
Mr. Harman	

(Teller.)

Noes—23

Mr. Blaikie	Mr. Nalder
Mr. David Brand	Mr. O'Connor
Mr. Charles Court	Mr. O'Neill
Mr. Coyne	Mr. Runciman
Mr. Dadour	Mr. Rushton
Mr. Gayfer	Mr. Sibson
Mr. Grayden	Mr. Stephens
Mr. Hutchinson	Mr. Thompson
Mr. A. A. Lewis	Mr. R. L. Young
Mr. E. H. M. Lewis	Mr. W. G. Young
Mr. McPharlin	Mr. I. W. Manning
Mr. Mensaros	(Teller)

Pairs

Ayes	Noes
Mr. T. D. Evans	Mr. Ridge
Mr. Brady	Mr. W. A. Manning

The SPEAKER: The voting being equal, I give my casting vote with the Ayes.

Question thus passed.

Bill read a second time.

In Committee

The Chairman of Committees (Mr. Bateman) in the Chair; Mr. J. T. Tonkin (Premier) in charge of the Bill.

Clause 1 put and passed.

Clause 2: Amendment to section 7—

Sir CHARLES COURT: This clause seeks to repeal the old form of the board and to replace it with a new form of board. It is very important that we understand the subtle difference. This is a very important difference, even though it may appear to some to be only a subtle difference.

Under the board as constituted under the 1970 legislation, when a departure was made from the old principle of appointing a Public Service Commissioner and we established the Public Service Board, we finished up with one which comprised three persons; namely, the chairman of the board, the deputy chairman, and one other commissioner all of whom shall be appointed by the Governor.

In making these appointments considerable care has been exercised, and no doubt will be exercised in the future. Care was also taken to separate the terms of appointment of the three commissioners, so that the chairman has an appointment for a term of seven years, and the deputy chairman and the other commissioner have appointments for a term of five years. By that means we would have a reasonable chance, short of death or some other unexpected event, of having continuity of service on the board.

I believe one of the important aspects in the administration of the Public Service of the State is that it continues from Government to Government. We have prided ourselves that we have a Public Service which is free from corruption and which serves the Government of the day very well. I believe it will continue to do that well and even better, if the board is left as it is.

If we succumb to the other alternative, which no doubt resulted from some pressure exerted on the Government by the Civil Service, just as it made representations to us when we were in Government, we will end up with a board which comprises one member who will have a partisan viewpoint.

He will be elected and appointed by these people and he will sit on the board's deliberations, not at appeals against disciplinary matters. He will sit as a member of the board on the every-day administration of the service.

The board is not cut off from the outside world or from the Civil Service Association. Far from it. It has its means of communication. In fact, it is rather interesting to look at section 16 of the Act, because we find that it specifically provides that members of Parliament must not communicate with the board or commissioners. I do not know how long ago the provision was inserted, but apparently at the time it was felt that members of Parliament might have some sway. Actually the original provision was that the commissioners were not to be interviewed, but in 1970 the provision was amended to provide that no member of Parliament shall interview or communicate with the board or any commissioner regarding the appointment of any applicant to a position in the Public Service.

Although I believe this is a very wise precaution, it also saves members of Parliament embarrassment because they can point to the provision and indicate that they are forbidden by law to make any representations. This is particularly valuable when someone is persistent because he feels his local member should at least pick up the phone and say a word on his behalf.

However, this only emphasises the importance of having the board operating as a separate, independent board without allegiance to any particular organisation. As the board functions at the moment it is doing a good job. To the best of my knowledge it has enjoyed the confidence of the service and no great friction is evident, nor is there any difficulty in communication between the association and the board. I sincerely hope therefore that we retain the present provision and reject the clause against which I intend to vote.

Clause put and passed.

Clauses 3 and 4 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

MR. J. T. TONKIN (Melville—Premier) [11.03 p.m.]: I move—

That the Bill be now read a third time.

SIR CHARLES COURT (Nedlands—Leader of the Opposition) [11.04 p.m.]: Briefly I want to further confirm and reiterate our opposition to the Bill. I want to make it clear that we believe the Bill is not in the best interests of the service or the association. The legislation will upset a system which is working smoothly and well, a system with which we should not experiment. We are dealing with a lot of people who are in the service as a career and we already have something we know works, so why should we throw it away for the sake of satisfying somebody's whim?

I do not think the Bill is the wish of the majority in the Public Service. I know when the matter was previously before us, it was part of my desire at the time to try to ascertain how much those in the service sought a change. Frankly, outside of the hard core of office bearers, I could find no support for it. Perhaps it would be more truthful to say that I could not find any interest, and certainly no dedicated support for it.

Mr. Graham: How did you ascertain the view of the rank and file members?

SIR CHARLES COURT: I remind the Deputy Premier that when the amendments were introduced in 1970 a lot of discussion and conjecture took place within the Civil Service. If I remember rightly the amendments were foreshadowed about 12 months before they were introduced and I could not detect any great enthusiasm for or interest in them.

I hope the Government will think again about the matter. The reasons for our opposition are well recorded and they involve no reflection on the association. Members of the service understand our views now as they did then, and I think they respect us for them.

MR. J. T. TONKIN (Melville—Premier) [11.06 p.m.]: The Leader of the Opposition made it perfectly clear that he has the strongest possible opposition to giving the Civil Service Association direct representation on the board. I accept his view because it is in conformity with the attitude adopted by him and the member for Greenough when the latter was the Premier. They both argued strongly for their point of view which they still hold.

We on this side of the House believe it would be advantageous to give the Civil Service Association direct representation, and I repeat that this was part of the policy speech I delivered. I gave a definite undertaking that we would make an attempt to ensure that the association had a representative on the board; and that is the purpose of the Bill.

We can agree to differ, but it is our intention, even if we are unable to achieve our objective, at least to ensure that the promise we made is carried out.

Question put and a division taken with the following result—

Ayes—22

Mr. Bateman	Mr. Harman
Mr. Bertram	Mr. Hartrey
Mr. Bickerton	Mr. Jamieson
Mr. Brown	Mr. Jones
Mr. Bryce	Mr. May
Mr. Burke	Mr. McIver
Mr. Cook	Mr. Sewell
Mr. Davies	Mr. Taylor
Mr. H. D. Evans	Mr. A. R. Tonkin
Mr. Fletcher	Mr. J. T. Tonkin
Mr. Graham	Mr. Moller

(Teller)

Noes—22

Mr. Blaikie	Mr. Mensaros
Sir David Brand	Mr. Nalder
Sir Charles Court	Mr. O'Connor
Mr. Coyne	Mr. O'Neill
Dr. Dadour	Mr. Runchman
Mr. Gayfer	Mr. Rushton
Mr. Grayden	Mr. Sibson
Mr. Hutchinson	Mr. Stephens
Mr. A. A. Lewis	Mr. Thompson
Mr. E. H. M. Lewis	Mr. W. G. Young
Mr. McPharlin	Mr. I. W. Manning

(Teller)

Pairs

Ayes	Noes
Mr. T. D. Evans	Mr. Ridge
Mr. Brady	Mr. W. A. Manning
Mr. Lapham	Mr. R. L. Young

The **SPEAKER:** The voting being equal, I give my casting vote with the Ayes.

Question thus passed.

Bill read a third time and transmitted to the Council.

House adjourned at 11.11 p.m.

Legislative Council

Wednesday, the 23rd May, 1973

The **PRESIDENT** (The Hon. L. C. Diver) took the Chair at 11.30 a.m., and read prayers.

PUBLIC SERVICE ACT AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by The Hon. R. Thompson (Minister for Community Welfare), read a first time.

Second Reading

THE HON. R. THOMPSON (South Metropolitan—Minister for Community Welfare) [11.43 a.m.]: I move—

That the Bill be now read a second time.

The purpose of the Bill is to provide for a representative of the Civil Service Association to be a member of the Public Service Board.

When the legislation creating the board was introduced by the previous Government in 1970, the present Premier indicated