

Amendment put and passed.

Hon. Sir ROSS McLARTY: I move an amendment—

That in lieu of the words struck out, the following words be inserted:—

“amended by adding the following proviso after the word ‘Act’ in the sixth line of the section:—

Provided that nothing in this section shall render it unlawful for any holder of such licence to admit any native upon his licensed premises for the purpose of having board and lodging therein.”

I have not moved to include the repeal of Subsection (2) and I would like to hear what the Minister thinks about it. Does the Minister think it should be repealed?

Hon. A. V. R. ABBOTT: I do not.

The MINISTER FOR NATIVE WELFARE: I accept the amendment as moved. Does the Leader of the Opposition propose to leave in Subsection (2).

Hon. A. F. Watts: No, that will be repealed.

The MINISTER FOR NATIVE WELFARE: That is all right.

Hon. Sir ROSS McLARTY: If we repeal Subsection (2) would any penalties be imposed upon a native who committed a breach of this particular section of the Act?

Hon. A. V. R. ABBOTT: I think it would read quite clearly. If a native has a right to enter premises for board and lodging he will be exempt from the provisions of the subsection. That is my view.

The Minister for Native Welfare: You mean the proviso would exempt him from the provisions of the Act.

Hon. A. V. R. ABBOTT: Yes. If he enters with the intention of obtaining liquor, or for any purpose other than obtaining board and lodging, he would be liable to a penalty; but if he enters for the purpose of obtaining board and lodging, he would be exempt. That is the interpretation I would place on it.

Mr. COURT: I think it is too dangerous to pass this amendment in its present form because I think we will have a hotch-potch Section 50. Even if Subsection (2) remains in the Act it will still not prove satisfactory either to the Minister or the Leader of the Opposition. I would prefer to report progress so that the legal aspect could be considered. I would not be happy if the only amendment to Section 50 was to be the insertion of the words proposed by the Leader of the Opposition.

The Minister for Housing: Why?

Mr. COURT: Because whether we leave Subsection (2) in or agree to delete it, the section would still not be satisfactory.

The Minister for Housing: If Subsection (2) is left in it will not be a satisfactory section.

Mr. COURT: If it is left out, it still will not be satisfactory. This should be the subject of a calm legal approach outside the Chamber.

Progress reported.

ADJOURNMENT—SPECIAL.

THE MINISTER FOR EDUCATION (Hon. W. Hegney—Mt. Hawthorn): I move—

That the House at its rising adjourn till 2.15 on Thursday next.

Question put and passed.

House adjourned at 10.12 p.m.

Legislative Assembly

Thursday, 7th October, 1954.

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

QUESTIONS.

LOAN FUNDS.

As to Total Available for Public Works, etc.

Hon. D. BRAND asked the Minister for Works:

What were the total loan funds available for—

(a) public works;

- (b) main roads;
- (c) water supplies;

in the year ended June, 1954, and that ending June, 1955?

The MINISTER replied:

Year ended the 30th June, 1954—

- (a) £3,303,068;
- (b) Nil;
- (c) £1,755,219.

Year ending the 30th June, 1955—

- (a) £3,108,370;
- (b) Nil;
- (c) £2,257,880.

HOUSING.

As to Evictee Houses with Lavatory at Front Door.

Mr. WILD asked the Minister for Housing:

In view of his statement in the House on Wednesday, the 29th September, that small evictee houses had been built each with the lavatory at the front door, will he state—

- (1) Where are these houses situated?
- (2) How many houses are affected?
- (3) Why were the conveniences so situated?
- (4) Who was responsible for the planning of these houses?
- (5) Has he done anything to rectify this position?

The MINISTER replied:

(1) Allawah Grove, Hilton Park East, Woodman's Point.

(2) 174.

(3) Stated to be on score of economy and protection from the weather.

(4) An officer who is no longer employed by the State Housing Commission.

(5) No further dwellings of this type have been built since the present Government took office.

BILLS (5)—FIRST READING.

1, Closer Settlement Act Amendment. Introduced by the Minister for Lands.

2, Milk Act Amendment.

Introduced by the Minister for Agriculture.

3, Inspection of Machinery Act Amendment.

Introduced by the Minister for Mines.

4, Guardianship of Infants Act Amendment.

Introduced by the Minister for Child Welfare.

5, City of Perth Scheme for Superannuation (Amendments Authorisation).

Introduced by Mr. Heal.

ANNUAL ESTIMATES, 1954-55.

In Committee of Supply.

Debate resumed from the 23rd September on the Treasurer's Financial Statement and on the Annual Estimates, Mr. Brady in the Chair.

Vote—Legislative Council, £6,362:

HON. SIR ROSS McLARTY (Murray) [2.23]: The Treasurer made reference to the fact that Mr. A. J. Reid, the Under Treasurer, would shortly be retiring from that position. As a matter of fact, he retires tomorrow. I agree with the Premier that Mr. Reid has rendered outstanding service to the State, and I am pleased to pay my tribute to his long period of good work. I know that he is regarded as an able financial adviser.

I have always known that the Commonwealth Government had a very high regard for the views which Mr. Reid held on financial problems as they affected the Commonwealth and the States. The fact that he has now been appointed to the Grants Commission is an indication of the high regard in which he is held, particularly in relation to financial matters and to the advice that he is able to give. I sometimes wonder whether retirement at 65 years of age should continue. Today, with the advance of medical science, there is a prolongation of life, and we find that many men of 65 years of age who are full of life with plenty of vigour, are being retired from responsible positions whereby their experience and advice is lost to the community.

In private industry such people are not generally retired because they have reached the age of 65; if it is considered that they can be of some further service, then their employment is continued. I know the difficulties that confront the Government in this regard because many young men coming on are looking for promotion. I do think that there are exceptional cases in which the period of service can be prolonged. If it is considered to be in the interest of the State that this should be done, then favourable consideration should be given to extending service after the age of 65.

Mr. Reid will be succeeded by Mr. Byfield, who has been the Assistant Under Treasurer for many years, during which time he has gained valuable experience. I feel sure that this experience and the hard work which I know he will do, will fit him for the position of Under Treasurer. I would also like to pay a tribute to the work done by Mr. Kenneally during the time when he was a member of the Grants Commission. He certainly had a full realisation of the difficulties which confront the less populated States. I know that he took a keen interest in all matters with which the Grants Commission was

concerned, and he put in a great deal of time and work in making himself conversant with all matters connected with the Grants Commission and associated with the States.

Coming to the Budget speech, I think it can be described as a tame one. The Treasurer seems to agree. It is true that Budget speeches do not create the same interest now as they did in days gone by.

Mr. May: Would you rather have a wild-cat Budget?

Hon. Sir ROSS McLARTY: No. As we know, the States do not impose income tax and some other forms of taxation. When it comes to the question of taxation, income tax is in the main, the chief concern of the taxpayer. The States, however, still impose considerable taxation and charges on the public. To a large extent these charges can be considered as a form of taxation. It does not make any difference to taxpayers as to how additional imposts are made. They are concerned with the amount which they have to pay, whether it is in the form of increased taxation or increased charges.

I notice that the New South Wales Treasurer, in his Budget, made certain reductions in wharfage charges, and said they would help to bring down freights. The Treasurer of this State, in his Budget speech, gave no indication that there would be any reduction in respect of taxes or charges. The position is that he expects to obtain additional revenue through increased taxation. He told us that he intends to amend the betting tax; and I would say that that would not be done with the idea of obtaining less revenue, but of securing increased revenue.

The Minister for Housing: On what grounds do you base that?

Hon. Sir ROSS McLARTY: On these grounds: I cannot imagine that the Treasurer is going to re-examine the whole position of betting taxation with the idea of obtaining less revenue. The Minister knows that a Treasurer is always looking for money, and he does not very often make reductions when he introduces his Budget and finds that he is short of money.

The Minister for Works: He would not be looking for money regardless of all other considerations.

Hon. Sir ROSS McLARTY: That is true. We shall have to wait and see whether my prophecy is true or otherwise. I believe that if the betting tax is amended or some other betting tax is imposed, additional revenue will be obtained.

The Treasurer: No more additional than would have been obtained if your winning bets tax had been continued in operation.

Hon. Sir ROSS McLARTY: We will see. Even under ordinary circumstances, with the increase in betting, more taxation is being obtained.

The Treasurer: That would have happened with regard to winning bets tax—

Hon. Sir ROSS McLARTY: That is true.

The Treasurer: —which was your tax.

Hon. Sir ROSS McLARTY: And partly that of the party opposite. I do not remember any division.

The Minister for Works: Yes; there was a lot of opposition from our side.

Hon. Sir ROSS McLARTY: Some opposition, yes; but not to any very great extent. The Treasurer intends to amend the probate tax. We had considerable discussion in regard to increased probate duties last year, and the Treasurer's proposal for an increase in that direction was not agreed to. He told us that he obtained £877,000 from this tax last financial year, an increase of £47,000 above the previous year. I know that most Governments impose a probate tax. I also know that in many cases it has a very harsh effect, particularly on the farming community, where it often happens that substantial overdrafts have to be obtained; and, as a result, land development is retarded. Other sections are also hit because of the detrimental effect of this tax. I do not think the Treasurer should be looking for more money in this direction. All estates and properties have had their valuations substantially increased; and, as a result of those increased valuations, much more money is being obtained through death duties.

Although I am not quite sure of the amount, I think that the Commonwealth received £7,000,000 from probate duties in the last financial year. I also think that the Commonwealth should leave this field of taxation to the States. In the early days of federation, it was never thought that the Commonwealth would enter this field. I know that it has entered other fields as well; but it is high time that this double imposition of taxation was adjusted, and a more practical approach made to taxation generally.

I am sure the Opposition will be interested to hear what views the Government has to put forward in regard to betting and the betting tax. I know how complex this problem is; it has been a headache to Governments for many years. In respect of such legislation, the question of obtaining revenue will arise; but the question as to how to discourage our young people from interesting themselves in excessive betting is much more important. Today it is the desire of many thousands of our Australian people to obtain easy money through betting. This is proved by the fact that the sale of lottery tickets is growing at an enormous rate, and this question is one that might well be considered at a Premiers' conference.

We hear that in some cities a lottery is being filled every day; and the demand for this continues, not only in our own State

but in all parts of the Commonwealth as well, to grow very rapidly. I would say that if this important matter were discussed at a Premiers' conference, those attending it might well ask themselves to what extent they considered lotteries could go, and what effect the rapid increased demand in that respect was having upon the people generally, and particularly the young people. The income from lotteries is now considered to be a form of taxation, and the Grants Commission takes income from lotteries into consideration when deciding what our grant shall be. I think there is only one State of the Commonwealth that has not its own lotteries commission and does not derive money from lotteries.

In view of the tremendous increase in lottery revenue, there should be an overhaul of the Act, and consideration should be given to the problem of what annual amount the investing public can afford to put into lotteries. Or are we prepared just to let it go on and on, and encourage the people to invest in lotteries, knowing that the overwhelming number must suffer disappointment? An attempt is being made to impress upon the public the value of the work that results from money obtained from lotteries and this can be seen by the publicity attached to certain utilities provided by the commission. I do not consider it is advisable to indulge in that form of publicity or advertising.

The Budget speech does not provide much detail. Indeed, the Premier thinks that this information is available in the tables that accompany the Estimates. I am sorry I have not had a chance of looking at the Auditor General's report. I think that must be done in order for one to have a full appreciation of the Revenue Estimates. There are certain industries to which large sums of Government money have been lent, and the Auditor General's report on these undertakings should provide interesting reading for members. We now have a new Auditor General in the person of Mr. Mathea, who should prove a worthy successor to Mr. Nicholas. As a servant of Parliament, the Auditor General is expected to comment freely on Government expenditure.

We were informed by the Treasurer that the results for the last financial year showed a total revenue of £43,146,000, and an expenditure of £43,249,000, the deficit having been £103,000. For this financial year, he expects to obtain a revenue of approximately £45,000,000 and the expenditure will be about the same amount, the estimated deficit being £141,000. I think there is some doubt as to whether the revenue estimate of £45,000,000 will be reached. Seasonal conditions are such that the railway estimate may not be realised. The Treasurer told

us that last year the railway revenue was £1,080,000 less than the amount anticipated. I think those were the figures. Such budgeting seems to be very wide of the mark. I know that difficulties arise in connection with the transport of wheat, but I hope that the railway estimates will prove to be very much nearer the mark this financial year than they were last year.

In reliable quarters, it is estimated that the wheat harvest this year will total 25,000,000 bushels compared with 40,000,000 bushels last year. I do not know whether the Treasurer agrees with that estimate. My figures have not been supplied from an official source but have been obtained from people who should be able to advise me, and if they are correct it will mean a tremendous difference in the quantity of wheat to be hauled by the railways this year.

The Treasurer: A considerable quantity of last year's harvest is still at country sidings.

Hon. Sir ROSS McLARTY: I was about to mention that, in addition, a considerable quantity of wheat is held in storage. At present, it is difficult to estimate the quantity of wheat that will be shipped and the quantity that the railways will be expected to transport. The wheat position overseas is still uncertain, and it may be that, with the shortage in the present crop and the position overseas, the railways will not transport the quantity expected.

Railway losses, including interest, amount to just on £4,000,000—a tremendous loss for any one Government undertaking. The Treasurer said that action had been taken to keep railway expenditure more in check, and then he went on to tell us that he expected to spend an additional £150,000 on the railways this year. What action? It would be most interesting to know what action has been taken and what results have been achieved so far. It was but reasonable to expect the Treasurer to devote some considerable time during his speech to providing members with full information concerning railway finance generally, but all we were told was that action had been taken to keep railway expenditure more in check.

In consequence of the importance of this matter and its very serious effect upon the State's finances generally, the Treasurer might have spent considerable time in dealing with railway finance and in telling us just what he proposes to do to keep a close check on railway expenditure. We all realise that the railways represent a huge spending department and that, unless a most careful watch is maintained, large sums of money may be spent without a full knowledge of that expenditure.

The excess expenditure last year, according to the Treasurer, was £420,000. Let members just think of excess expenditure amounting to £420,000!

The Minister for Railways: How much of that was required for basic wage increases?

Hon. Sir ROSS McLARTY: I do not know. That is why I say the Treasurer should have supplied us with more information about this huge spending department and the effect it has on Government finance generally.

Before the general debate on the Budget is completed—I do not ask the Treasurer to make a long speech when replying to these questions, which can be dealt with when the departmental estimates are being considered—members are entitled to be informed what action the Government contemplates to save expenditure in the Railway Department, what results have been achieved to date, and of any other information he may have. In my opinion, there is no doubt that the people must make up their minds that for a long time to come, they will have to contribute to railway losses. I cannot see any alternative.

The Minister for Railways: Unless freights are increased to what they are in the Eastern States.

Hon. Sir ROSS McLARTY: I do not know whether that would get us out of our difficulty. The Treasurer considered that the railway freights could not be further increased without proving detrimental to the State generally. Mention has been made of the competition that the railways have to contend with, and some of this has been described as unfair competition. It is true that road transport would pick the most payable types of traffic if given unlimited freedom, and little, if any, consideration would be given to the difficulties of the railways. That was my experience when I was in office, and no doubt that is the position still. All forms of transport are making great progress, and progress in any direction cannot be stopped. History tells us of attempts having been made to prevent progress in some particular industry, but all such attempts have failed. The carrying of stock by road is one such progressive move, and no doubt stock-owners gain in this way.

The Minister for Railways: Then why did you, when in office, order 600 stock-trucks?

Hon. Sir ROSS McLARTY: Let the Minister wait a moment. Many farmers have invested considerable sums of money in the purchase of suitable stock-carrying trucks, and have built loading ramps on their farms to facilitate the transport of their fat and store stock by road. They certainly gain an advantage from it. The road users will have to show some consideration to the railways because of the

loss of this valuable traffic. The road users cannot have it both ways. Coaching traffic also shows a loss. The Treasurer's figure, speaking from memory, was £85,000. With the greatly increased motor traffic, this is not to be wondered at. I often wonder why certain metropolitan trains run at all because I have seen some of them with only sufficient passengers to fill a motorcar.

The Minister for Railways: Have you ever seen private omnibuses running with two or three passengers in the off-peak period?

Hon. Sir ROSS McLARTY: I feel certain that if a private omnibus ran for very long with only two or three passengers, the company concerned would go bung. It would very soon take steps to alter the position. I used to complain about this state of affairs when I was at the Treasury, because it gave me concern to see these trains going out with just a few passengers in them. I often asked the reason why.

Perhaps the diesels may create an improvement in this direction, but I still say to the Minister, as I did to my own Minister, that I believe the question of the metropolitan traffic should be examined most carefully. Perhaps the Premier, when he tells us how he is going to curtail or prevent some of the expenditure on railways, will say what is contemplated in regard to metropolitan passenger traffic, generally.

The Minister for Railways: The suburban passenger traffic is not losing as much proportionately as are many of the country lines.

Hon. Sir ROSS McLARTY: I can believe that, because I know the very real difficulties, on the financial side, that confront some of our country lines.

Mr. O'Brien: Do you think an unimproved land tax would help our railways?

Hon. Sir ROSS McLARTY: If when land had been sold in the first instance, and if, when we had to put out railways for developmental purposes, the proceeds of the sales had been credited to the Railway Department, it would have been of considerable assistance. I have discussed this point with the Leader of the Country Party, and we have wondered why something along these lines was not done in the past because had such a course been adopted, it certainly would have helped us with our railway debt and with the railway position generally. Whether it is too late now to do something, I do not know. We still have large areas of virgin land for sale, and when that land is being sold or disposed of, the position of the railways might receive some consideration.

When I was at the Treasury there was an incessant demand for concessions for railway travel, and in other directions, too. The stage was reached when the

Commissioner of Railways said that if the concessions were to be granted, the Treasury would have to bear the cost. Such action was justified as it gave the Treasury an idea of some of the demands that were being made on the railways. Just what these concessions mean in revenue to the Railway Department today, I do not know, but it must be considerable. We just cannot go on giving concessions where such huge losses are concerned.

The Minister for Railways: It amounted to about £46,000 last year.

Hon. Sir ROSS McLARTY: The question of unpayable lines always comes up when finance is under discussion. This is a difficult problem. The settlers being served by these lines cannot be left to find their own transport. The substitution of an efficient subsidised road transport feeder service to the main lines would probably prove to be a more economical proposition than what we have at present. It is unfortunate that when we come to a matter such as this, the party political aspect often arises, and that, of course, is not good from the business side. The Government would be justified in looking into the economics of subsidised road transport.

The Minister for Railways: Why subsidise it?

Hon. Sir ROSS McLARTY: We cannot charge the settlers out on these lines an additional freight, or a freight that they are unable to pay. They went out and took up these holdings on the understanding that they would be served by a railway.

The Minister for Railways: Subsidised road services apply now in the lake districts and wherever people are 12½ miles or more from a railway line.

Hon. Sir ROSS McLARTY: I know, but it may be cheaper from the Government point of view to subsidise road transport rather than continue with the unpayable lines.

The Minister for Railways: We did not find that when we called tenders in connection with the Meekatharra-Wiluna line and the Burakin-Bonnie Rock line. It was cheaper to keep the railways going.

Hon. Sir ROSS McLARTY: It is interesting to know that the Minister has given consideration to the point, and that he has gained some experience from it, but I still suggest that he give further attention to the matter with a view to seeing whether some more practical scheme can be arrived at, taking into consideration the fact that the needs of the settlers have to be met.

The Treasurer: The settlers were all against the closing of the railway line.

Hon. Sir ROSS McLARTY: That is very natural. If people are settled in a district they would be hostile to the pulling up of the railway line, but if, ultimately, they were served with efficient road transport

at a reasonable cost, I think their hostility would soon disappear. My own Government made a start in this direction by substituting adequate road services in place of certain railways.

The Treasurer: Whereabouts?

Hon. Sir ROSS McLARTY: One was the Upper Darling Range line, and there was another, the name of which escapes me for the moment. The Treasurer told us that railway earnings had increased but, unfortunately, so have the costs. Transport costs are basic to the State's economy, and should there be a further recession in the prices of primary products, the question of transport costs will loom very largely in the public mind.

Transport costs are a major consideration for the Government, and I ask the Treasurer to tell us, as a matter of urgency, in which direction the Government proposes to economise in railway expenditure. It appears certain that the railways will have to bear a heavy burden this year in regard to carting water to a number of districts. This water shortage is our great handicap, and it should be the policy of any Government to push on with water conservation wherever possible. The cost of water to the people is also a very considerable charge, and I would like to hear from the Treasurer when he proposes to implement his election promises to bring country water supply charges more into conformity with the metropolitan charges.

I know that he claims this has already been done because of the greatly increased land values in the metropolitan area and the consequent heavy increases in water charges, but I would also remind him that substantial increases have been made in land values in country districts. The Treasurer has admitted that rail freights should not be further increased and gave, as one reason, the fact that it would be detrimental to the railways generally. The same point will arise in relation to increased charges for water and, when consumers know that heavy charges face them, they will be more careful regarding the quantity of water they use.

The fact remains that a definite promise was made by the Premier that charges for rural water supplies would be brought into closer conformity with metropolitan charges and the people in rural areas have a right to expect that promise to be fulfilled. I suggest to the Treasurer that one way in which to do that would be to charge people in rural towns the same for water as is charged people in the metropolitan area where excess water is used. I did hear a suggestion made at a South-West conference that water charges should be based on the same principle as that adopted by the Electricity Commission for electricity supplies. I am unable to say whether that proposal is a

practical one or not but the Treasurer may see fit to give the suggestion some consideration. I might add that the proposal was made by a man who is regarded as a thinker and who carries a great deal of influence in the district in which he is known.

In the course of his speech, the Treasurer made reference also to wool and what it means to the State. I read the other day that a 10 per cent. drop in the price of wool would mean a fall of £40,000,000 in the national income. The Treasurer went on to say that wool continues to be the mainstay of our rural production and of our economic system and that any substantial drop in overseas prices would have a disturbing effect on the State's economy. As we all know, wool is sold on the world's markets and any increased cost in regard to wool production has a serious effect. Such an increase has, to a considerable extent, attached to it the same dangers as are obvious in regard to a fall in overseas prices. In either case the producer would get less money and that would be detrimental to the State's economy.

Of course, that can truthfully be said to apply to all our exportable commodities, some of which are already experiencing difficulty in obtaining profitable overseas markets. Only last night over the radio I heard that the Victorian dairy producers were advocating some form of publicity; a campaign to encourage greater consumption of dairy products, because of the difficulties in obtaining payable overseas markets. We are all aware of the present position in regard to wheat, dried fruits, the wine industry and so on, all of which are experiencing the same difficulty. I can therefore understand why the Treasurer stresses the importance of payable prices for wool on the world's markets.

Apart from charges generally, tariff increases are an additional heavy impost on our primary industries. I have heard it said that there is need for a scientific tariff and I take it that the word "scientific" is there used to bring home to us the fact that tariff duties must not be imposed to an extent where they will prevent our overseas customers from trading with us. Some of them are experiencing difficulty now in establishing sufficient credits with which to buy some of our exportable products. Protection today—it has been so for many years—is the accepted policy of the people of Australia, or the great majority of them. Western Australia is the greatest sufferer of all the States in the matter of tariff charges. This is so, of course, because we are not a manufacturing State to anything like the extent that the other States are.

With reference to the dairying industry, the Treasurer said that the factory production of butter amounted to 14,000,000lb.

last year. Overseas markets and costs of production are vital factors in this industry and with the continued improvement in the quality of dairy stock, plus the improvement in pastures and in land clearing methods, we can expect a substantial increase in the volume of our dairy products in the future. It is necessary that a very careful watch be kept on the future of this industry, and particularly in regard to its cost structure.

It would be interesting to hear what the Minister for Agriculture considers to be the average cost of producing a gallon of milk or 1lb. of butterfat today. I think we should also have made known to us the costs of production in regard to other primary products such as wool and wheat. I have heard various estimates given in regard to production costs—

The Minister for Agriculture: How would you compute the cost of a gallon of milk? Would you base it on a 17-cow farm or on a herd of 20 or 25?

Hon. Sir ROSS McLARTY: As the Minister knows, the Commonwealth has made a survey of the whole of the industry throughout Australia.

The Minister for Agriculture: That is where the information would have to come from, and I have not received it yet.

Hon. Sir ROSS McLARTY: Yes, and I think there would also have to be some scheme of zone values. It could not be taken on a State-wide basis or the average cost would be put up to a considerable extent because we know that some dairy farms are not economic propositions. Looking at it from a purely business angle, I think the Government should know what the costs of production in regard to primary industries generally are. It is essential for the Government to know whether costs of production are being exceeded in any industry and, if so, what has caused the rise and what steps can be taken to bring about economic stability in that industry.

In common with the Treasurer, I believe that the outlook for meat appears to be favourable, while the strong demand from the consumers for what is termed baby beef continues to grow. In order to achieve success in this direction, many farmers are carrying out a vigorous programme of fodder conservation and hay-baling and although this is a rather costly business, it pays dividends.

The expenditure on agriculture in 1952-53 was £505,770. The expenditure for 1953-54 was £495,647 and the estimated expenditure for 1954-55 is £543,600. There was a net increase of £273,000 in 1953-54 and the anticipated net increase for 1954-55 is £91,604. Any additional money made available for agricultural extensions is a good investment and I only wish that more could have been made available in this direction.

I should like to pay a tribute to the work of the Department of Agriculture, particularly the work of the departmental advisers because their work has enabled millions of pounds to be added to the wealth of this State. They have been responsible for improvement in stock breeding, in combating stock diseases, improving pastures, combating pasture pests and they have shown farmers the value of trace elements on certain lands. New and difficult problems are continually facing primary producers, and the need for increased expert agricultural advice is essential to maintain progress in primary industries.

The Treasurer also told us that more gold was produced last year and that a larger sum of money was obtained for it. We know that this is an industry where the cost factor could have a detrimental effect. The gold is being sold at a fixed price and, of course, every rise in costs means a lesser amount of profit. I think there should be close co-operation between the Commonwealth and State Governments in the interests of this industry. Our Government has a right to expect sympathetic consideration from the Commonwealth in this regard because of the great importance of the industry to the economy of this State.

As regards coalmining, the exploratory drilling programme, put into operation by the previous Government, has proved well worth while. It has indicated where coal can be found at depth and what amount of coal is available to us. In view of the knowledge thus gained in regard to reserves suitable for recovery by the open-cut mining method, the Government should seriously consider the question of drawing on the reserves to meet the requirements of the State. The consequent saving on coal recovery by these methods would enable a reduction to be made in fuel costs to the railways, and appreciably reduce railway losses. It would also mean a considerable saving in the cost of producing electricity and gas, which would benefit all industry, as well as the ordinary householder. In the near future, industry in this State will have greater quantities of fuel oil for use, and the tendency is to make greater use of this type of fuel. The Government must be mindful of this fact and should be planning now to establish industries at Collie to ensure future employment on the coalfields.

During his speech, the Treasurer also made reference to the increased production of timber. We all know that there is a tremendous demand for timber and that great vigilance will have to be exercised to see that our young forests are not used before they have matured. As time goes on, I feel that more and more pressure will be brought to bear upon the Government, by those interested, to be allowed to go into these forests and cut timber, even though under supervision.

The Treasurer also referred to the amount of money made available by the Commonwealth to the State, and he told us that revenue last year, excluding the revenue from public utilities, amounted to £28,000,000. Of this amount, said the Treasurer, no less than £19,000,000 came from the Commonwealth, and approximately £12,000,000 of that sum was received on the recommendation of the Grants Commission.

The Treasurer: How much?

Hon. Sir ROSS McLARTY: I think the Treasurer said £12,000,000.

The Treasurer: I said £7,000,000 was paid on the recommendation of the Grants Commission.

Hon. Sir ROSS McLARTY: Perhaps the Treasurer said £12,000,000 came from Commonwealth sources.

The Treasurer: By way of income tax reimbursement.

Hon. Sir ROSS McLARTY: The sum of £12,000,000 came from the Commonwealth by way of income tax reimbursements, the Grants Commission, etc.

The Treasurer: I said a sum of £7,000,000 additional, as a result of Grants Commission recommendations; £19,000,000 in all.

Hon. Sir ROSS McLARTY: Out of £28,000,000 revenue! Of course other finance was also made available to the States by the Commonwealth. I was glad to see that there was a better atmosphere at the last Premiers' Conference than there has been for some considerable time. Certainly a saner outlook prevailed. I think, if all factors are taken into consideration, members will agree that the Commonwealth has treated us fairly generously in regard to financial payments. The Treasurer himself said that the Grants Commission had taken a practical view of our difficulties. So far no recommendation from the Grants Commission has been turned down by the Commonwealth, although I have heard fears expressed from time to time that recommendations in regard to grants were becoming so great that the Commonwealth might offer some resistance to them. But that has not happened so far, and up to the present there has been no indication that it will happen.

It should not be forgotten that whatever sum the Commonwealth provides for the States, the money has first to be obtained from the people. Government undertakings and spending have their effect upon industry generally, and it is essential to see that industry as a whole is not retarded because of overspending by Governments. As we all know, that mainly concerns expenditure from loan funds. However, I think that a survey of the requirements of industry and the effect that Government spending has upon it, should be made. I ask the Treasurer, what consideration is given to this aspect?

In my view at some of the Premiers' Conferences I attended, the only concern of certain Premiers was to get all the money possible and consideration of private industry was not taken into account. Those Premiers did not seem to give much consideration to the general economic position but were concerned only with obtaining the sum of money that they asked for. Very often inflated amounts were requested in the hope that they would get nearer to the actual sums that were required. It is essential to ensure that industry as a whole is not retarded by overspending by Governments.

Mr. Johnson: Would not it be under-spending that would retard industry? Over-spending would stimulate it, would it not?

Hon. Sir ROSS McLARTY: No, I do not agree with the hon. member. Over-spending would take not only too much finance, but also much material supply out of the pool. That must have an effect on the economics of the State and private industry. After all is said and done, private industry very often provides the where-withal for public works to continue. I agree that additional money should be made available for native welfare. I do not propose to enlarge on this subject now, but will refer to it again when we are considering the Estimates.

Health and education are two important departments. Last year, education cost the State £4,703,000, and the estimate for 1955 is £5,018,000; an increase of £314,697. Added to this, is the additional grant to the University and for this financial year that will amount to £283,795. I have forgotten what the base amount is for our University.

Hon. A. F. Watts: £40,000.

Hon. Sir ROSS McLARTY: Yes, that is correct. That is an absurd figure, but to that approximately £284,000 must be added.

The Treasurer: Why do you call the £40,000 the base figure?

Hon. Sir ROSS McLARTY: That was the figure agreed upon when it was decided that the Treasury should subsidise the University. It has never been altered and I suggest to the Treasurer that in view of the increased amounts that have to be made available to the University, the base figure should be greatly altered to meet the existing circumstances. There is also £13,822 to be provided for the Chair of Education; just on £15,000 for the Faculty of Dental Science, and £30,000 for the Library Board. One could go on with other forms of education that require Government money.

No one will deny the great value of education and the necessity for our children to be educated to the standard of others not only in Australia, but also in other parts of the world. Often we hear people complaining of the amount of money that is made available for educational purposes.

Some individuals seem to think that there is no limit to the finance that can be made available in this direction. When one looks at the amount being provided, it cannot be regarded, as it is by some people, as niggardly. The expenditure for health in 1953-54 was just on £4,000,000. For this financial year the expenditure will be £4,040,000. Sometimes I become very concerned at the greatly increased cost of running hospitals. These two great social service departments—education and health—are spending, between them, over £10,000,000 yearly. They are, of course, very important for public welfare. We have both health and education enthusiasts and they are demanding a greatly increased expenditure in both these spheres. I would point out to the Treasurer that when millions of money are being spent there is need to ensure that unnecessary expenditure is not permitted.

My experience as Treasurer made me realise how a certain department could steeply step up its expenditure in a very short time. I should think that a financial adviser might be an asset to a department such as the Education Department or the Health Department. It would help the Treasurer to gain a full knowledge of what is happening in those departments. There would be more scope for such an adviser in the Health Department than in the Education Department. I know that the Health Department has officers who try to keep an eye on hospital expenditure in respect of both Government and committee-run institutions. However, costs are increasing so rapidly in this department that I think it is most essential for the Treasurer to have a full knowledge of what expenditure is being incurred and what are the prospects of future expenditure.

Mr. O'Brien: I think that is wise.

Hon. Sir ROSS McLARTY: These two departments are vitally important and cannot be starved for money. Our hospitals must be maintained to at least the same standard as hospitals in other Australian States. I know that life at the Treasury is not easy. It is impossible to meet all public demands even though many could, with advantage, be acceded to. The careful spending of money is necessary at all times.

The suspension of the quarterly adjustment of the basic wage, regarding which there has been much discussion in this House, has been of great help to the Treasury. There is little doubt that had increases in the basic wage continued, the Treasurer would have been faced with making not only increased charges in many directions, but also substantially increased charges which would have been an additional load for industry to carry. I want to remind the Treasurer that lavish promises made at election time are really a great danger and can prove to be embarrassing as well. It is much better to tell the

people what a Government can provide than lead them to think that money is readily available and that they have only to ask to receive. I hope that members will have ample opportunity to discuss the Estimates. The Premier called Parliament together a little earlier this year with the idea of finishing earlier. I am becoming pessimistic about the prospects.

The Treasurer: We are sure to have half-a-dozen speeches on the Estimates this afternoon.

Hon. Sir ROSS McLARTY: I doubt it.

The Treasurer: At least four more.

Hon. Sir ROSS McLARTY: How long does the Treasurer expect they will take?

The Treasurer: Half an hour each.

Hon. Sir ROSS McLARTY: Does he think that is sufficient?

The Treasurer: I think a good speaker can say all he wants to in half an hour.

Hon. Sir ROSS McLARTY: I do not think that was the Treasurer's experience when he led the Opposition. I remember an occasion on which a member took five hours and another on which a member took six hours to express his views.

Hon. A. F. Watts: They are not allowed to do that these days.

Hon. Sir ROSS McLARTY: No; we were an enlightened Government, and prevented that. The Estimates are of great importance and much information can be obtained by members. The Treasurer cannot complain if information is sought by members, because I remember having to sit here for hours on the item "Treasury Miscellaneous," alone, answering questions on just about every point covered by that item. I am not suggesting that members should seek information merely for the sake of seeking it but that they do so if they require the information for their own benefit, or the benefit of their electorates, or, perhaps, for the benefit of the State.

The Treasurer: When the Leader of the Opposition was Treasurer, he was very patient.

Hon. Sir ROSS McLARTY: I am always patient and, as the Treasurer will recall, I gave the fullest information to members.

The Treasurer: Well, I must not praise you too much!

Hon. Sir ROSS McLARTY: This time I think the Treasurer has delivered the shortest Budget speech on record. While I am not complaining about that, I think there is much more information he could have given us.

The Treasurer: Each Minister has to introduce the Estimates of his own department.

Hon. Sir ROSS McLARTY: That is so, and we shall be particularly interested to see what the Treasurer intends to do in regard to railway expenditure. I think the Treasurer implied that I am speaking at length; that does not upset me to any great degree. If I had not completed all I wanted to say, I would have gone on merrily.

The Treasurer: Gone on, anyway.

Hon. Sir ROSS McLARTY: When one has been in Parliament for a fairly long period, one is generally not upset by interjections. I think I have said all I want to say on the general debate, but there are a few other matters which I will raise when the departmental Estimates are considered.

Progress reported.

BILL—FACTORIES AND SHOPS ACT AMENDMENT.

Council's Message.

Message from the Council notifying that it insisted on its amendment now considered.

In Committee.

Mr. Brady in the Chair; the Premier (for the Minister for Labour) in charge of the Bill.

Clause 2. Page 2—Delete all words and figures after the word "for" in line 24 down to and including the figure "6" in line 26 and substitute the following:—
"every additional ten persons employed
1 0 0"

The PREMIER: There is not a great amount involved in the Bill as it was passed by this House, and in the amendment made by the Council; certainly not sufficient to justify a request for a conference. Accordingly, I move—

That the Assembly no longer disagrees to the amendment made by the Council.

Question put and passed.

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

BILL—PLANT DISEASES ACT AMENDMENT.

In Committee.

Mr. Brady in the Chair; the Minister for Agriculture in charge of the Bill.

Clause 1—agreed to.

Clause 2—Section 12C amended;

Mr. WILD: I move an amendment—

That the word "six" in line 5, page 2, be struck out with a view to inserting the word "seven" in lieu.

I spoke to the Minister when he returned from his visit—

The CHAIRMAN: I would like to point out to the member for Dale that he is proposing to strike out the word "six," which is already contained in the Act. Is that his intention?

Mr. WILD: No, Mr. Chairman, and I ask leave to withdraw my amendment.

Amendment, by leave, withdrawn.

Mr. WILD: I move an amendment—

That the word "ten" in line 8, page 2, be struck out with a view to inserting the word "seven" in lieu.

The increase from 6s. to 10s. is much too steep. Last year the fruit-fly baiting committee in the south suburban area requested a grant of £1,500, which was provided. The Minister has said that this year the Government intended to grant not less than £1,500, and it is hoped that the same amount will continue to be made available as long as the fruit-fly menace remains. It appears that the proposal to raise the fee from 6s. to 10s. was made in order that extra money would be obtained from this source so that the Government, if called upon in future years to increase the grant to £1,700 or £2,000, would not have to find more than £1,500.

Irrespective of the Government in office, that is wrong in principle. This industry should be encouraged. I have since consulted the committee, and it considers that while the £1,500 granted this year would be sufficient to carry out all work on hand, there is a possibility that the expenditure would rise because of increasing costs. If the rise should eventuate, the committee does not want the Minister to hold this view: "If you are not prepared to help yourselves by increasing the fees, then the Government is not prepared to help you." The committee hopes that the Minister will temper mercy with justice when dealing with any application for a grant.

The committee is agreeable to a proportionate rise, and if need be it will approach growers to ask for higher fees. I would like to stress this point that out of 1,200 growers only 70 voted at the poll. The commercial grower will be chiefly affected, and we have to be careful not to make the rise too high so that it will affect the backyard orchardists. If there is too steep a rise, then at the next poll they will very likely vote against any increase.

The MINISTER FOR AGRICULTURE: There is no justification for saying that some time in the future we will not require an increase in fees for the fruit-fly baiting scheme. As the hon. member said, the south suburban committee feels there will be no need to increase them this year because it can carry out all work with the Government subsidy of £1,500. There need, however, be no fear in making legislative arrangements for future years when perhaps the committee will not be able to finance all its works. There is no danger

of the fruit-fly baiting committee increasing the fees up to the maximum of 10s. this year, therefore this provision will not impose any hardship. Not only the department, but also the Donnybrook and eastern hills committees know that expenses are rising year by year, partly because of new orchards, partly because old orchards are being renewed on an extensive scale, but chiefly because of the erection of so many new houses in the outer suburbs, and the consequent backyard orchards that will be planted.

Sitting suspended from 3.45 to 4.5 p.m.

The MINISTER FOR AGRICULTURE: If members will consider the matter from another angle, I think they will not find much reason for disagreeing to the proposal. The suggestion that the amount should be increased from 6s. to 10s. does not mean that the 10s. would be charged. That would be the maximum amount chargeable under the measure. In the south suburban area, the present maximum has been charged in order to meet increased costs, but it does not follow that 10s. would be charged as the current levy. It would make no difference if the maximum were fixed at 20s., because the local committee has the responsibility of determining the amount to be charged.

If the member for Dale is right in assuming that 7s. would be a fair charge this year, there would be nothing to prevent the committee from basing its schedule on that amount. Although on the basis of 1½d. per tree for nine visits, the cost that could be charged for a non-commercial producer having up to 99 trees is at present £5 11s., and under the measure it could be increased to £11 2s., it is not proposed to charge the maximum amount. The whole purpose of the Bill is to enable a committee to prepare a schedule of charges within that range for non-commercial and commercial producers, so that each committee will have full control in this direction.

The member for Darling Range spoke of the rapid increase in the number of houses in his district last year and the possibility of a similar increase this year. If we made the maximum amount 7s. and it was found that 8s. would be required, there would be no legislative authority to permit that amount to be charged. Consequently a fee is being proposed that will be more than is required this year, but it will enable the committee, which fully understands the position, to draw up a schedule based on what it considers to be a fair thing.

Since becoming Minister, I have not felt justified in asking the Government to increase its subsidy of £1,500, which I consider is a fair contribution. I believe the committee realises that. The argument that commercial producers are paying for the protection of non-commercial orchards,

although true to some extent, is not of great consequence when we examine the actual position. In the south suburban district, a subsidy of £1,500 is paid for 190 commercial producers, which works out at approximately £79 of Government contribution to each commercial orchard. The difference between costs and fees collected in baiting non-commercial orchards in the south suburban district last year was £1,706, and thus the subsidy of £1,500 fell short of meeting the cost by £200. This was made up by an approximately similar amount representing the excess of fees over the cost of baiting commercial orchards.

What that means is that if we distribute the amount—approximately £200—that is left over from the commercial orchards amongst the 190 commercial orchardists, each has a little more than £1 to pay for the extra protection of knowing that the non-commercial orchards are baited against fruit-fly infestation. That is not much to pay. In addition, the Bill is only suggesting a figure on which the committee can work out a schedule of charges. I cannot see where any reason arises for objection.

The amount is more than we require, but if we attempt to fix an exact figure, we can make a mistake of 1s., one way or another, and if there is no legislation covering more than a certain amount, we could be placed in the unenviable position of having to ask the Government to do something, without its having legislative power to do it; or we would have to find some other way of taxing or levying the intermediate group between those in the minority that we propose by the Bill not to charge more than the present amount, and the owners of 99 trees, who are one tree short of being commercial producers. The committee has the responsibility now, and it can alter the charges in the intermediate group.

These committees are formed of growers with only one officer of the department, who is the chairman, so they are not unreasonable, and they are not going to overtax the growers in their own districts in order that the Government subsidies can be reduced. We have agreed that we ought to maintain the Government contribution of £1,500, which is reasonable, and to have the balance, by way of a maximum amount, incorporated in the Act so that a committee can effect its own schedule based on its experience.

Mr. WILD: I cannot agree with several points made by the Minister. The first is that there was no approach from the south suburban committee to have the fees raised; nor did it ever contemplate that it should have the fees increased in order that more money could be raised locally. Secondly, there is the matter of voting. All these 1,052 people will have a vote, and if they know that they can be charged

10s. as against 6s. at the moment—I am suggesting 7s.—they might say, "We may get an irrational committee, so we will vote against it."

The Minister for Agriculture: I do not think that would happen. It would then be the responsibility of the individual growers to do the baiting.

Mr. WILD: Yes, but about 900 people have fewer than 100 trees, and it goes right down the scale. Plenty who have only three or four trees have just the same voting power as has Mr. Cross who paid about £140 into the scheme, apart from the baiting he did himself. The small man will say, "I am not going to pay these increased charges," and so away will go the scheme. The third point is that whilst at the moment we have a rational committee which has graduated the charges—

The Minister for Agriculture: I know that. I have the figures here.

Mr. WILD: —one big grower said, "I will wash my hands of this. I prefer to go by the board and we can set up our own little scheme in our own district, and the rest can jump in the lake." We might get an irrational committee and whilst it might not fix the amount at 10s., it might decide on 8s. or 9s. The Minister is playing with fire. He admits that probably we will not want more than £1,500 this year. He said we all expect rising costs. We, in the south suburban district, do not expect, however, to have to ask for more than £1,500.

I think this is about the sixth year that the scheme has been in operation and today, the committee, as the result of its experience, can cover a greater amount of ground more efficiently and cheaply, and with less manpower than it did originally. A small grower can come along and say, "I am not prepared to give someone carte blanche to charge me up to 10s.," and so vote the scheme out. The growers are prepared to go to 7s., and if the Minister agrees to this I suggest we increase the charges for those with under 100 trees. Let us provide this latitude, and if in 12 months time we are found to be wrong, the Act can be reviewed.

The Minister for Agriculture: From where are you going to get the money if you make a mistake this year?

Mr. WILD: We will get it in the same way as we have in the past. For the first two years we got £500, and then we had one year when we got £1,000, and we got £1,500 in the last two years.

The Minister for Agriculture: You ought not to ask for more than £1,500. The growers ought to bear an increase in the charges.

Mr. WILD: The growers are prepared to agree to an increase, and if it is lifted from 6s. to 7s. it gives them the power to raise the fees a certain amount. The Minister may be quite sincere—

The Minister for Agriculture: I certainly am.

Mr. WILD: —but if the growers asked for a little bit more, and they had not lifted their fees, he would do exactly the same as the Grants Commission does when it says, "We will not give you such and such a grant for the railways until such time as you lift your freights."

The Minister for Agriculture: You want to leave in the Act the provision allowing the committee to increase its fees beyond 7s.

Mr. WILD: No. I am prepared to lift it a certain amount. If the maximum is altered to 10s., there will be a negative vote at the next poll, and all that has been done so far will be wasted, but if it is lifted to 7s.—

The Minister for Agriculture: They will then ask for a larger subsidy, and we think the Government is doing a fair thing now.

Hon. D. Brand: How do you assess it as a fair thing?

Mr. WILD: I think the most the fee should be for over a hundred trees is 7s. If the Minister agrees to that, I will agree to a higher contribution by men with less than 100 trees.

Mr. OWEN: I support the views of the member for Dale, and believe that 10s. is too high a maximum. As the member for Dale said, commercial growers are paying enough now and, with the proposed increase, many would vote against the scheme at the next opportunity. With a fee of 10s., I am sure that other districts which might be contemplating entering the scheme would not do so.

The Minister for Agriculture: What does it matter how much the maximum is, provided the committee has power to determine what the levy is to be?

Mr. OWEN: One grower already is paying well over £100, and the proposed increase to 10s. would mean that he would be paying £200.

The Minister for Agriculture: He would not pay that much unless the committee made that decision.

Mr. OWEN: But he could do the work himself for £80 or £90. At present, it is costing the commercial grower up to twice as much as it would cost him to do the work himself, but he is willing to pay the extra in order to make sure that the smaller orchard is baited. I venture to say that if the grower in the south suburban area got 10 per cent. of fly-free

fruit off his trees in the days before baiting, that would be all. If the proposed increase is agreed to, I am sure the growers will withdraw at the next poll. The committee for the eastern hills scheme in my electorate is working on the maximum now and feels that if things went a bit wrong, a slight increase would enable it to pay its way. I believe that applies also to the south suburban scheme, and I support the views of the member for Dale.

The MINISTER FOR AGRICULTURE: No valid argument has been put forward in support of limiting the maximum to 7s. The member for Dale would attempt to get the balance of the money required from the non-commercial orchards—

Mr. Wild: No. There would be an increase on the existing provision, but not as high as the Minister puts it.

The MINISTER FOR AGRICULTURE: Does the hon. member realise that on the present basis a man with only 49 trees can pay as much as a commercial producer with 100 trees—

Mr. Wild: But the committee graduates it.

The MINISTER FOR AGRICULTURE: Those are the committee's figures. I have here the full list of the charges, and if the hon. member is responsible for increasing the fee for the intermediate section, he will do those growers an injustice. There is power under the Act at present for the committee to make what alterations it likes with regard to the intermediate section. There is plenty of scope for that under the present charges. Should we not make the maximum sufficiently high to allow the figures to be moved up or down as required? I do not think that 7s. might be enough to do the job this year, and if that proved to be so, the south suburban committee would approach the Minister for a further subsidy.

Mr. Wild: Are you not prepared to give it a further year?

The MINISTER FOR AGRICULTURE: No. We know from experience that an amendment to the Act is necessary, and if 8s. were required the committee would not have power to collect that amount. Over a period the committee has, through the association, asked for an increased Government subsidy, and if the committee is to ask the Government to contribute more than it is making available at present, it is not likely to ask at the same time for power to increase charges. It does not wish to have it both ways; it makes one selection and sticks to it.

On behalf of the Government I say that we are paying quite sufficient money so far as the south suburban scheme is concerned. There is scope within the Act for the committee to make a schedule of charges on an upgrade to what they are now and it is only for us to decide whether

the maximum shall be 7s., 10s. or 20s. It would not make any difference because this committee would have control in advising and making recommendations regarding the schedule of charges that ought to be made. I cannot agree to the amendment.

Mr. WILD: Does the Minister want the scheme to carry on or not?

The Minister for Agriculture: I do.

Mr. WILD: The people who are directly concerned with this scheme say that they will not be able to get by because so many people will vote against it if the charges are increased.

The Minister for Agriculture: Do not they trust their own committee?

Mr. WILD: It need not be the same committee.

The Minister for Agriculture: That is their fault.

Mr. WILD: It happens with Governments and people. One does not always get the Government one wants. This is an industry that last year produced £2,250,000 for this State through export fruit. Surely that is worth more than £1,500.

The Minister for Agriculture: It is.

Mr. WILD: It is time we got our heads out of the clouds and had another think about this question. I am not prepared to go beyond the 7s.

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

Ayes	17
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Noes	18
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Majority against	1
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Ayes.

Mr. Abbott	Mr. Nimmo
Mr. Ackland	Mr. North
Mr. Brand	Mr. Oldfield
Mr. Court	Mr. Owen
Mr. Doney	Mr. Thorn
Mr. Hearman	Mr. Watts
Mr. Manning	Mr. Wild
Sir Ross McLarty	Mr. Yates
Mr. Nalder	

(Teller.)

Noes.

Mr. Andrew	Mr. Lawrence
Mr. Graham	Mr. McCulloch
Mr. Hawke	Mr. Norton
Mr. Heal	Mr. O'Brien
Mr. W. Hegney	Mr. Sewell
Mr. Hoar	Mr. Sleeman
Mr. Jamieson	Mr. Styants
Mr. Johnson	Mr. Tonkin
Mr. Kelly	Mr. May

(Teller.)

Pairs.

Ayes.	Noes.
Mr. Bovell	Mr. Guthrie
Dame F. Cardell-Oliver	Mr. J. Hegney
Mr. Cornell	Mr. Moir
Mr. Hutchinson	Mr. Nulsen
Mr. Hill	Mr. Lapham
Mr. Mann	Mr. Rhatigan

Amendment thus negated.

Mr. WILD: I move an amendment—

That the word "three" in line 20, page 2, be struck out with a view to inserting the word "two."

I have moved the amendment for the same reason as I advanced before. If this amendment is not agreed to we will be gradually killing the goose that lays the golden egg and these people will vote against the scheme at the next poll. I think the charges proposed in the Bill are too severe and we ought to break them down. The present committee is a good one, but if these charges are imposed the people concerned will not vote for the scheme to continue. I hope the Minister will agree to the amendment.

The MINISTER FOR AGRICULTURE: I cannot accept this amendment any more than the other one. I think the hon. member has been listening to one or two people in his electorate who have paid a tremendous sum of money for the baiting scheme as well as on their own efforts. But that does not mean to say that the hon. member has the right to speak on behalf of all the growers who come under the south suburban scheme.

Mr. Wild: The committee has consulted me. Does it not represent all the growers?

The MINISTER FOR AGRICULTURE: This committee is doing an excellent job, but it is one that has requested the Government to increase the subsidy. The committee knows that it cannot get the money one way so it is endeavouring to do it another way. The matter has been fully considered, taking into account all that we know exists in the district today, plus what we can expect in the future regarding additional buildings and backyard and other orchards. The Government considers that this Bill represents a reasonable proposition, and, after all, the amount specified is only a maximum.

The committee will be called upon to suggest the schedule of charges within the ambit of the Act—that is within the scope of the minimum and maximum charges. What difficulty will the committee have in making a recommendation of 2d., if that is thought to be a reasonable figure? We ought to be concerned about a situation developing which would be outside the control of the committee. In that event there would be no one to turn to for extra money and I am certain the committee would make another approach to the Government. The maximum charge under the Act is £2 14s. per acre. Nobody pays more than that whether there be 10 acres or only one. Therefore, the charges are commensurate with what is received. This committee has power, of its own accord, to increase charges if it so desires. We must stipulate the maximum in order to provide for the continuance of the scheme.

Mr. Wild: Is it not better to have a maximum that will ensure the continuance of the scheme?

The MINISTER FOR AGRICULTURE: I think that the figure quoted in the clause will provide for anything that will occur in the next two years.

Mr. Wild: You will not have a scheme in two years.

The MINISTER FOR AGRICULTURE: The hon. member is afraid that this will have the effect of voting the scheme out; that is, because the Act provides for a maximum. All Acts provide a maximum. No one can place in a piece of legislation the actual amount it would cost to finance a scheme. The committee controls this Act and not the Government. It is the body that fixes the charges. The member for Dale is endeavouring to get the Government to grant more money than it has done in the past. If I had an opportunity of obtaining a true expression of opinion from the committee, I am sure it would agree that the Government is contributing a fair amount of money towards controlling these pests. It is better to provide a maximum that will be sufficient to cover any contingencies in the future.

Mr. OWEN: The Minister is hammering too hard at the point about asking the Government for more money. Last year the committee was short of £43, I think it was, but I am sure the committee would not have approached the Government for more money. All it had to do would be to cut out one baiting. The committee could quite easily economise if it so desired. Therefore, I do not think the Government need fear that it would be called upon for extra money at the end of the season. I support the amendment but I would have supported it much more strongly if the previous amendment had been agreed to. If we increase these fees too greatly it is inevitable that the commercial and the semi-commercial growers will vote against the scheme when it comes up for further review. I think the committee realises that the fees mentioned are the maximum, but it could so adjust its affairs to keep within the limit suggested in the amendment. Therefore, I support the amendment submitted by the member for Dale.

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

Ayes	17
Noes	17
A tie	0

Ayes.

Mr. Abbott	Mr. Nimmo
Mr. Ackland	Mr. North
Mr. Brand	Mr. Oldfield
Mr. Court	Mr. Owen
Mr. Doney	Mr. Thorn
Mr. Hearnan	Mr. Watts
Mr. Manning	Mr. Wild
Sir Ross McLarty	Mr. Yates
Mr. Nalder	

(Teller.)

Noes.

Mr. Andrew	Mr. Lawrence
Mr. Graham	Mr. McCulloch
Mr. Hawke	Mr. Norton
Mr. Heal	Mr. O'Brien
Mr. W. Hegney	Mr. Sleeman
Mr. Hoar	Mr. Styants
Mr. Jamieson	Mr. Tonkin
Mr. Johnson	Mr. May
Mr. Kelly	

(Teller.)

Pairs.

Ayes.	Noes.
Mr. Bovell	Mr. Guthrie
Dame F. Cardell-Oliver	Mr. J. Hegney
Mr. Cornell	Mr. Moir
Mr. Hutchinson	Mr. Nulsen
Mr. Hill	Mr. Lapham
Mr. Mann	Mr. Rhatigan
Mr. Perkins	Mr. Sewell

The CHAIRMAN: The voting being equal, I give my casting vote with the noes.

Amendment thus negatived.

Mr. WILD: I move an amendment—

That the word "sixpence" in line 21, page 2, be struck out with a view to inserting the word "threepence" in lieu.

This is consistent with the two previous amendments I have moved. I know the Minister will not agree to it in view of his opposition to the two that have gone before. I can only repeat that the Minister does not realise what he is doing because in two years, when the question goes to the poll, we will not have a scheme.

Amendment put and negatived.

Clause put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—NATIVE WELFARE.

In Committee.

Resumed from the 5th October. Mr. Brady in the Chair, the Minister for Native Welfare in charge of the Bill.

Clause 50—Section 50 repealed:

The CHAIRMAN: Progress was reported after the word "repealed" had been struck out and the Leader of the Opposition had moved to insert in lieu the words—

"amended by adding the following proviso after the word "Act" in the sixth line of the section—

Provided that nothing in this section shall render it unlawful for any holder of such licence to admit any native upon his licensed premises for the purpose of having board and lodging therein."

Hon. Sir ROSS McLARTY: The question now arises whether I should proceed to move that Subsection (2) be repealed. The Minister was to have given

consideration to the whole matter. To refresh the minds of members, I would point out that I said there would be extreme difficulty in policing the Act if the provision as printed in the Bill were agreed to. The Minister agreed to accept my amendment. My amendment would prevent natives—other than those with citizenship rights who are entitled to all the privileges that we are—from going into public bars and lounges where intoxicating liquor was sold; but it would not prevent them from receiving accommodation and meals. That is the amendment with which the Minister agrees. I would like to hear the Minister with regard to the necessity of my having to proceed to endeavour to repeal Sub-section (2) of Section 50.

THE MINISTER FOR NATIVE WELFARE: Would I be in order, after a brief explanation, in moving that this clause be postponed? I have not had an opportunity to consult the Crown Law Department, in conjunction with the Commissioner of Native Affairs, concerning this matter. The Licensed Victuallers' Association has also asked me to receive a deputation and although I will be away next week, arrangements will be made for the deputation to be met by a representative of the Government.

The CHAIRMAN: Order! Standing Order 285 reads as follows:—

Any clause may be postponed, unless the same has already been considered and amended.

This clause has been amended; the word "repealed" has been struck out.

Progress reported.

BILL—LOCAL GOVERNMENT.

Second Reading.

Debate resumed from the 30th September.

MR. COURT (Nedlands) [4.59]: I find myself in a very awkward position in connection with this Bill. Because of the most unfortunate action of the Government in introducing highly political and contentious matter in the Bill, we on the Opposition side of the House find ourselves forced to resist several major provisions on the basis of countering what could be a political manoeuvre by the Government of the day. I would prefer that we could view the whole of the local government legislation free from any party bias, with a view to recasting the local government law in this State, in order to bring it into line with modern requirements.

If the Bill is adopted in its present form, it will, in my opinion, mean the end of a very valuable phase of local

government in this State. Local government in Western Australia has enjoyed a lengthy period of voluntary, honorary and very conscientious service, which for the most part has exemplified the highest ideals of unselfish service to the public and of good citizenship. With few exceptions, local government in this State has been such that people of diverse political and other views have worked together in harmony for the common good of a fairly compact local area, such area and its people usually being very well known to all the councillors or road board members, as the case may be.

In the face of this very valuable contribution made by local government in this State, I feel that if this measure is adopted in its present form we shall have a situation where local government will become highly charged with political bitterness, and we will find it turned into a stamping ground for intrigue and subjected to excessive interference from the Government of the day. It is my view that this State has been very well served by local government in its present-day form. Unlike some people who only think of local government boundaries as something to be enlarged by absorbing the districts of other authorities, I can see much merit in fairly compact areas where the elected board members or councillors are readily available to the ratepayers, and where they can maintain an intimate knowledge of the area and its people.

The arguments that are advanced from time to time for fewer and larger areas can be sustained in some instances, but in most cases the reasons are more apparent than real. Happily, we are still in the stage of local government in this State where a person can gain election to his local authority because of his personal qualities rather than because of any party tag. By all means, let us revise much of the local government law and make it more effective and up to date, and also iron out anomalies, but why intrude these very disturbing influences which have been referred to by the Minister in his second reading speech? I have every confidence in the intelligence of the municipal and road board electors.

I subscribe to a policy of giving local government the maximum scope for managing its own affairs within the boundaries of a fairly flexible legislative framework. In my experience no local authority or group of its members will get away with much abuse of responsibility without the ratepayers rising up and taking corrective action. For example, we find if there is anything to which the main body of ratepayers object, there will always be a rallying of the ratepayers and a very strong attendance and large representation at the ratepayers' meetings. We also find that if one of a group of members is not playing

the game according to the ideas of the ratepayers, it is not long before the ratepayers rally together and find a suitable candidate to oppose such a member. Usually the ratepayers are able to bring about the defeat of that individual.

The detailed discussions on this measure will obviously take place in Committee. Therefore, I propose now to confine myself to some of the matters with which I am in disagreement. It is not my intention today to make an exhaustive review of all the matters to which attention should be given in Committee. Whilst I shall endeavour to be as co-operative as possible in the consideration of the many clauses, the Government cannot now expect the Bill to have as speedy a passage as it would have experienced, had the Government not introduced material of a contentious nature outside the recommendations of the Royal Commission.

In the circumstances, I would like to deal with the five major exceptions to the Royal Commission's recommendations which the Minister enumerated in the following order:—The franchise, electoral matters, election of mayor or president, valuations and audit. I am opposed to the proposal of adult franchise for local government.

Mr. Johnson: Do you believe in democracy?

Mr. COURT: Certainly I believe in democracy.

Mr. Johnson: It does not sound like it.

Mr. COURT: I find it hard to understand the case presented by the Minister in his second reading speech. I must confess that it did not sound convincing to me or cause me to depart from my opposition to adult franchise. I find it very hard to stretch the significance of the United Nations' Declaration of Human Rights so as to apply it to the question of adult franchise for local government. I could never imagine for one moment that it was meant to be taken literally in respect of local government elections.

Then again, I also find it difficult to follow the line of reasoning that the withholding of adult franchise for local government elections would have the effect of imposing taxation without representation, because it always appears to me that the revenue of a local authority is related to the property, and to the services provided for that property. If local authorities had the right to tax an individual regardless of property ownership or the like, and if they could impose a tax on a person's income, then there would be some argument to demonstrate that there was taxation without representation. But

that is not the case. A local authority levies a rate within its legal capacity, aimed at a property and aimed at repayment for services rendered or services to be given.

Another point was the question of persons within a local government area being bound by the by-laws. I suggest that if we carry this reasoning to the extreme, persons are indirectly bound by the by-laws. But I would point this out: In the enforcement of the by-laws of a local authority, the owner or the main occupier of the premises is the person who is prosecuted. Such a person has the job of seeing that people within his boundary conform to the by-laws of the municipality or road board. For that reason, I feel it would be a very weak argument to say that because one of ten living in a house is indirectly affected by the by-laws, and their enforcement, they should claim representation on the local authority, regardless of his liability to pay rates.

A further reference was made to the fact that local government is classed as the third arm of government, and that therefore adult franchise must automatically be universal for local government. If members will examine the various functions of the arms of government, they will find that the functions of local government are entirely different from those of the other arms; and I think that the franchise has to be taken in due proportion to the functions, aims and objects of a particular arm of government. It would have been more to the point had the Minister said that, as a matter of party policy, his Government wanted adult franchise to achieve certain long-term political objectives.

This proposed electoral qualification could produce extraordinary anomalies under the law proposed in the Bill. For example, it is not difficult to envisage very large bodies of the adult population being stationed, for periods of 12 or 18 months, in an area controlled by a local government body. If those people were whipped up by some militant-minded person, it would not be impossible—in fact, it would be quite practicable—for them to completely upset the balance of the local works and financial programme. The Minister might claim that that is an extreme view of what could happen. But is it?

It is easy to conceive a project involving hundreds of people that would completely unbalance the local population temporarily on account of those persons being in the area on a major work for two or three years. Having been marshalled to exercise their adult franchise in that locality, they could even get power on the body

itself; enter into certain commitments; and, when their job was finished, go to another place.

Mr. Yates: That has happened before at State elections.

Mr. COURT: Dealing with this question of the franchise, I can see no objection to both the owner and occupier each having a vote, but not adult franchise as proposed. As I see it, for all practical purposes, the present position is that either the owner or the occupier has a vote, but not both.

Proceeding further, the next point raised by the Minister in connection with these matters at variance with the Royal Commission's findings is the conduct of elections. If one disagrees with the adult franchise proposal, it follows that one is opposed to the Government's proposition for the qualifications of mayors, presidents, or councillors. Here again, if one subscribed to the proposition, there could be an amazing anomaly. As I see it, if a ratepayers' meeting were held within the provisions of the appropriate portions of the Bill, we could have the ludicrous state of affairs where ratepayers turned up, the mayor or president was authorised to preside, but the councillors were absent; because I cannot see any qualification here for them to attend if the councillors are not ratepayers. If the councillors could not attend because they were non-ratepayers, it would be poetic justice if they were excluded from a meeting which had to consider a report of non-ratepayer councillors. Strange though it may seem, that would be possible under this measure, unless I have misread it.

The third matter raised by the Minister as being at variance with the Royal Commission's findings is the question of the election of mayor or president. In the case of existing cities and towns, I favour retention of the present method where the mayor is elected by the ratepayers separate and distinct from ward representation. The advantages are many and the disadvantages are few. The danger of an inexperienced or incompetent mayor being elected is present, but, in my opinion, is not a real one. Electors are fairly discerning in these local and intimate matters.

So far as shires are concerned, I am anxious to hear the submissions of those experienced in country road board working before determining my attitude. In some metropolitan cases I have seen the system of board-appointed chairmen produce some unsatisfactory results. However, they have not necessarily been of sufficient import to arouse public hostility, or to be conclusive grounds for a change to the system proposed by the Bill. In all matters of this nature, the personal ele-

ment plays a very big part, regardless of the machinery employed for the election of a mayor or president. No machinery will make a bad man good, or vice versa.

On the question of valuations, which was the fourth matter raised by the Minister, I realise that it is a very contentious point whether there should be an obligatory system of unimproved valuations or whether option should be permitted in adopting unimproved valuations or annual valuations. Personally, I favour the method being left optional, realising that the ratepayer would rebel if any injustice were done in the use of those valuations or methods of valuation. Over the years, I have found that the arguments for and against unimproved valuations and annual valuations go on like the proverbial brook; and, in the main, are more academic than real. It is rather like the argument as to whether one should play Australian rules, Rugby, or soccer: it goes on for years, and no one ever wins. There are points in favour of each system; likewise, there are disadvantages under each.

In considering the Bill, I have tried to reduce to a simple statement the respective aims of the system of annual valuations and the system of unimproved valuations. I would say that the annual value is a principle of trying to collect payment directly related to services rendered. It endeavours to deal with a situation of multiple uses and also a situation where there is fluid or fast-changing development within a particular area. On the other hand, the unimproved value system is aimed more at an estimation of common usage within certain defined boundaries.

This system, I suggest, will produce more anomalies ultimately as the character of an area becomes clarified. As an area settles down, it is not unusual to find a hotel in the midst of an outlying residential and small shopping area. It could be that the hotel occupies no more land than does the residential block or the small shopping area. A further example is where we find a block of flats alongside a residence, each occupying an area of similar size. Under the unimproved value system, the hotel or flats, because of assumed common usage for that area could have the same value and therefore produce only the same rates as the residence.

I invite the attention of members to the problem that arises in connection with what I think valuers refer to as lot-ratios. I understand that, in the development of a city such as ours, it is very easy for this problem to arise and become a critical and very contentious one. To determine a lot-ratio, a simple formula is used whereby the area of the floors is divided by the area of the lot itself. The index figure thus arrived at is the number of times the floor space exceeds the area of the land.

For instance, if the area of the land was 1,000 square feet and there were 1,000 square feet on each of 10 floors, the floor area would be 10,000 square feet divided by the lot area of 1,000 square feet and the lot-ratio would be 10 to one. If we assume common usage for an area such as that bounded by St. George's Terrace, Milligan-st., Hay-st., and King-st. and everyone decided to build to the maximum, a situation would be reached where legislation would be necessary to prevent it because it would be impossible for that area to be developed in that way.

One local authority has a series of models, which many members no doubt have seen and which can be constructed like children's blocks to demonstrate the effect of a lot-ratio. If we take an area such as the one I have mentioned and see it constructed by these blocks, we realise how impossible it is to have common usage for such an area in a city block. An anomaly is immediately created. There would be an argument between the various occupiers of different lots, because the person who was rated on a city block and required a building of only four storeys for his particular purpose would naturally be annoyed at the fact that the man alongside with a 10-storey building, demanding much greater services from the local authority, was rated at the same figure on the unimproved value basis. If rated on the annual value system, there would be some equity between them in respect of the actual services provided by the local authority.

I prefer to approach this problem of annual and unimproved values on the basis that the local authority produces revenue in payment for services rendered and not as a tax. The basis of assessment of most of our water rates is the annual value, and while I do not know the real reason for it, I suggest that one reason could be that in this case payment is being obtained for a service rendered and not as a tax. It could be assumed on one line of argument that the service rendered is more closely related to the annual value than to the unimproved value, although on that point people may be prepared to argue.

We in Western Australia are, I suggest, passing through fluid times—times of changing conditions, spectacular developments and a high degree of diverse uses of areas. A process of reclassifying areas is taking place, all of which brings the need for a constant review of our approach to the methods of valuation and the methods of rating. If we leave the method optional, the ratepayers themselves will see that there is no abuse of the option by the local authority. I know that there is an agitation in the metropolitan area even at the present time regarding the method of valuation, and I have no doubt that the

ratepayers concerned will continue to express their disapproval—they have already indicated that they are not satisfied—and will take constitutional steps in the hope of overcoming their disagreement with the local authority. This is a further instance in support of my statement that the ratepayers will rally if they feel that an injustice is being done.

As I read this measure, it also provides, in connection with the matter of unimproved values, that the valuations of the Taxation Department will be used. I would prefer that the local authority be given some discretion in this direction. It has not been proved to my satisfaction that the Taxation Department, in any event, could keep up with the problem. I am not suggesting that its valuations are unsound because it has a highly trained staff of experienced valuers, but there is a time factor and a consistency factor to ensure that all authorities are moving along at an equitable rate. We have had anomalies in the past where some districts have been adversely affected because of the lag in the valuations between one district as against another.

I noticed with some interest the Minister's assertion that the system of annual values had had the effect of causing a shortage of housing, and I believe that that assertion was not sound. My experience is that people build where and when they want to, unless certain circumstances force them to accept some other proposition, such as in an emergency having to accept a house from the State Housing Commission. When they are going to build homes for themselves, they build where and when they want to, and do not ask the land agent whether the property is rated on the unimproved value or the annual value.

Then again, I also feel that the assertion that the annual value method can encourage speculation while the unimproved value method discourages it, is mainly an academic argument which it not borne out by experience. I have yet to find a case where it can be proved beyond doubt that the unimproved value system has prevented speculation, since people appraise sites because of their economic worth to them, and their location. I think the average home or factory builder is more concerned about these aspects than about the academic argument relating to the method of valuation for rating purposes.

Personally, I find it difficult to follow the line of argument used by the Minister when he quoted the rates in the £ of the cities of Perth, Fremantle and Subiaco as compared with those applying in the surrounding road districts. As I see the position, the local authority has to produce so much revenue, and if it juggles around with the values, and puts them up or

down, that determines the rate in the £, because it still wants only to recover so much revenue. It is fallacious to say that because the rating in a particular suburb is so much in the £, it is out of balance with that of another district. The approach to the valuations, and the net result in rates payable are the determining factors.

The fifth point raised by the Minister concerned the question of audit. I find myself in disagreement with the provisions of the Bill in this regard; likewise I am in disagreement with the proposal in connection with the accounting. I take exception to the observations made by the Minister regarding the existing auditors of municipalities. I feel that in fairness to the people concerned, I have a duty to comment on the Minister's remarks. He said that these auditors could not be expected to have a knowledge of the Municipal Corporations Act.

I submit it would be just as wrong to suggest that the auditor of a company or any other organisation should not be expected to have a sound knowledge of the Companies Act, the Bills of Sale Act, the Bankruptcy Act, the Income Tax Act and the dozens of other Acts that he normally uses in the course of practising his profession. In my experience of municipal auditing, the finer points of the audit come down to a discussion, between the auditor and the municipality on the interpretations of the Act.

The question as to whether expenditure is permitted within the bounds of the Act is a vital part of the audit. He would be an incompetent auditor who attempted to finalise his audit without acquainting himself with the provisions of the appropriate law. Likewise there was an erroneous reference, in my opinion, to the ethics of the accountancy institutes. There are two principal institutes today, one being the Institute of Chartered Accountants and the other the Australian Society of Accountants. I think for all practical purposes they represent the accountancy profession in Australia.

Both of these institutes have a high standard of examination and of ethical practice. It is wrong to say that the present auditor of a municipality cannot be opposed by members of his institute. I stress this point because it was my task at one time to give evidence on this particular point before the Royal Commission inquiring into local government affairs, and I thought it had been made abundantly clear.

For the information of members, I quote the appropriate paragraphs of the printed ethics of the Institute of Chartered Accountants published in a book known as

the "Royal Charter, Supplemental Charter, Bye-Laws and Ethics of the Profession." It is as follows:—

A member shall not nominate or allow himself to be nominated for appointment or election as auditor of any corporate body (including any company) except at the unsolicited request of a person or persons substantially interested in the capital or control thereof and entitled to vote for his election. But nothing in the Royal Charter Bye-Laws or Regulations of the Institute shall be construed as a limitation of the right of the members of any corporate body to invite any member to permit himself to be nominated for election as Auditor.

A member who consents to be nominated in opposition to another member in the circumstances described in the last preceding paragraph shall forthwith notify the immediately previous or retiring auditor of his intention either personally or by letter.

The ethical requirements of the Australian Society of Accountants which I have here, are on similar lines.

I point out that there is an unfettered right for one member to oppose another; and it is often done. It is not very long since there was an election for the office of auditor for the Perth City Council when, I think, the late Mr. Frank Murphy opposed Mr. C. H. Turner, both chartered accountants and both members of the Institute of Chartered Accountants. Just prior to that, if I remember correctly, there was an election at Subiaco, and from my own experience I remember that on one occasion I was opposed by no fewer than four other accountants. Of this number, two withdrew, leaving a field of three, all of whom were members of the Institute of Chartered Accountants.

The only ethical requirement is that they will observe the normal old-world courtesy of just letting the other person know that they are going to oppose him. I think that is a reasonable proposition. The institutes have gone even further because they authorise the retiring member to send to the electors or the shareholders of the company concerned written notice, thus giving him a chance to state his case. I do not think the Government can submit to the House that even the Government auditors have been without shortcomings on occasions. They have had their mishaps just as others have.

I do not say this in criticism of the Government auditors, because it is a well known fact that audits do not reveal everything. The process should be one of prevention rather than cure. No one, be

he a private individual or a Government officer, is blessed with supernatural powers that will permit of his finding every defalcation that occurs. I understand, reading between the lines of the Minister's submission, that it is the intention of the Government to ensure that Government auditors shall all be qualified men, but the Bill does not prescribe that. It does state that "auditor" means a Government inspector of municipalities, and it goes on to say that "books" means records kept in such manner and form as the Minister directs.

I have read the appropriate provisions and am afraid that the Government, in submitting many of the requirements in connection with local authority auditors, is expecting such a man to be a superman, the like of which hardly exists on earth. It will be found that, in addition to the normal functions of auditors as they are understood, he is called upon to exercise a degree of judgment in respect of valuations, elections and the general conducting of the business of a local authority, such as I feel is completely impractical and not to be found in one normal man. While there might be available some men with all these qualities, we must assume that many men will be required and we must therefore work on the average available quality.

At present a local authority knows what the audit will cost, because the fee is fixed between it and the auditor, in the case of municipalities, but this legislation gives the Government of the day a blank cheque to charge for the services of this Government inspector and no matter how uneconomic the programme may be, or how extraneous some of his duties may be, the local authority must pay that expense, except in the case of certain country areas or shires where the Government will stand part of the cost.

A further point of concern to certain larger municipalities which now have elected auditors is the time factor. The position of the Perth City Council and the Claremont Municipal Council is known to members. They end their financial year on the 31st October. Not only are their accounts finished and audited, but they get their annual meetings over before the councillors have to face the electors. That is a good achievement, as they hold their elections on the fourth Saturday in November.

It is only by the utmost co-operation between the auditors and the local authorities that the progress audits are kept so close up to date that within a matter of days after the end of the financial year, the accounts are signed and available for publication so that they can be seen by the ratepayers before they have to vote

for their councillors. I doubt whether the ramifications of Government audit procedure would allow that state of affairs to continue. The Bill provides for a change of date in respect of the annual balance which is to be at the 30th June, and the elections, which are to be held in April. There is a disadvantage there because the election is then held so long after the accounts of the financial year are available and they often form a vital part of the election campaign in local government.

There are several other matters which because of limitation of time I will now only mention in passing. They are the question of revesting the ownership of roads in the Crown, the question of permanent absent vote certificates, the power of the clerk of the council to insert on the electoral list the names of persons who appear to be eligible and Treasury approval for all loans. When the Bill is in Committee I will deal with those and other matters in some detail. I support the second reading.

HON. C. F. J. NORTH (Claremont) [5.45]: Although I think the Bill will receive the support of most members, there are many of its clauses that are contentious and I believe each of us will have to consult his local authority in order to find out what is required. As has been stated, there is provision in Great Britain for adult suffrage.

The Minister for Railways: And in New South Wales, too.

Hon. C. F. J. NORTH: The London County Council and other similar local authorities have powers almost equal to those of State Parliaments, and so we have no guide there with regard to this measure. I have confined myself to the requirements of Claremont, as the member for Nedlands has outlined his views on the measure—

The Minister for Housing: Did you find out what the people of Claremont want or what just a dozen or so of them want?

Hon. C. F. J. NORTH: The point there is that so far there has been no request made to me for adult suffrage, although a lot of people have said they want the existing position to continue.

The Minister for Housing: You may be out of touch with your electorate.

Hon. C. F. J. NORTH: Perhaps, but I have received no request for adult suffrage. I have received a letter from the Claremont Municipal Council setting out its requirements. It reads—

My Council has studied and discussed the Local Government Bill and has unanimously resolved strongly

to oppose the introduction into local government legislation of the following:—

- (1) Adult franchise.
- (2) Valuations by unimproved capital value.
- (3) Audit by Government inspectors.

Adult Franchise (SS.41/42). This Council favours retention of the existing system, and emphasises the recommendations of the Royal Commission on the 1949 Bill—that separate provisions be made to cover the variation in existing franchise under the two Acts, Municipal Corporations and Road Districts.

Valuation by U.C.V. (S.524). The 1949 Bill gave local authorities power to change from annual to unimproved capital values if they so desired, and with the concurrence of its ratepayers. The Royal Commission recommended only minor amendments. This Bill makes the revolutionary and entirely unacceptable change of having only unimproved capital values, all such to be fixed by the Commissioner of Taxation.

Audit by Government Inspectors. Whereas the Royal Commission recommended a compromise between existing systems, this Bill gives no choice, and insists that all authorities have their affairs audited by Government Inspectors. My Council has had satisfactory results from Municipal Auditors for over fifty years and does not want the system changed.

All that I have read out so far from this letter has been dealt with by the member for Nedlands and by the Leader of the Country Party, so there is no need for me to say more on those points.

But there is a new subject dealt with by the council which breaks new ground and which I would like to put forward for the benefit of the Minister. The letter states—

In addition to the above, I am to bring to your notice the following:—
Non-rateable properties: We urge that provision be made for some extent of rating on Crown properties, land held by agricultural societies and the like. The Royal Commission recommended restriction of Crown exemption to an "absolute minimum acceptable to the Government," reduction of exemption in respect to church properties, hospitals, public and private schools. This Bill takes no heed of the commission's recommendations.

As one drives through the district of Claremont one sees that it is well studded with Crown properties, schools, churches and the

like, so that the council does suffer a heavy loss of revenue from those sources because those bodies are almost all non-rateable. The Claremont Municipal Council has brought that point forward for the consideration of the Minister and regarding the recommendations of the Royal Commission, has this to say—

My council stresses the obvious fact that insufficient notice has been taken of the Royal Commission's recommendations. A simple check, section by section, establishes this fact.

Ministerial control: The Royal Commission found, as one of the main grounds of objection to the 1949 Bill, the degree of ministerial control which the Bill sought to impose. My council suggests that such control has not been satisfactorily lessened in the present Bill.

Apart from those points, which, after all, reduce the opposition to quite a few matters, the general machinery clauses will, I feel sure, receive support. There might be certain clauses where details will be required and we have had the guidance of the two speeches that have already been delivered. They were comprehensive speeches, particularly that of the Leader of the Country Party, and, with those few remarks, I propose to support the measure.

On motion by Mr. O'Brien, debate adjourned.

House adjourned at 5.53 p.m.