

# Legislative Council

Tuesday, the 6th November, 1962

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

## PERTH SHIRE COUNCIL

### Naturalisation Ceremonies: Personal Explanation

**THE HON. H. R. ROBINSON** (Suburban) [4.34 p.m.] : I desire to ask for leave to make a personal explanation to the House in accordance with Standing Order No. 383.

The PRESIDENT (The Hon. L. C. Diver) : Has Mr. Robinson the permission of the House to make a personal explanation?

Leave granted.

The Hon. H. R. ROBINSON : The matter I desire to clarify relates to the proceedings that took place in this House on Tuesday last, the 30th October, 1962. The following is an extract from a speech made by Mrs. Hutchison, taken from the record of the *Parliamentary Debates* on that day:—

The Hon. R. F. HUTCHISON : I will show the honourable member that it is not nonsense. At the naturalisation ceremonies held by the Perth Shire Council the honourable member hands

out a certificate of citizenship to each New Australian, together with a card showing how to vote for the Perth Shire Council and another card showing how to cast a vote for the Federal elections, but he never hands them out a card showing how to vote for the Legislative Council election.

To keep the record true and correct I wish to make the statement that for the past two or three years, as President of the Shire of Perth, I have not conducted any public naturalisation ceremonies, having delegated that authority to my deputy-president (Dr. M. Starke, J.P.). At no time has there ever been a card in existence showing people how to vote for candidates for the Perth Shire Council, nor has there been a card issued showing any person how to vote for candidates in Federal elections.

The procedure adopted at all naturalisation ceremonies conducted by the Perth Shire Council is that the deputy-president (Dr. M. Starke, J.P.) congratulates the grantee following the formal ceremony and hands the certificate of naturalisation to the grantee. Invited guests are asked to hand each grantee a booklet supplied by the Commonwealth and a letter from the Good Neighbour Council of Western Australia. The assistant shire clerk distributes to the grantees enrolment cards, for the Federal and State elections, and for the past nine months enrolment cards for the Legislative Council have also been issued.

In the interests of good local government in this State I want to make it perfectly clear that the accusation made by Mrs. Hutchison is completely without foundation. Further on in the *Parliamentary Debates*, Mrs. Hutchison is reported as having said—

I have attended every one of these naturalisation ceremonies conducted by the Perth Shire Council.

That statement is also not correct. I have checked the files of my council in regard to naturalisation ceremonies and the information I have discovered I will now disclose to the House. In checking the files back to 1960 I find that only on two occasions has Mrs. Hutchison attended a naturalisation ceremony. Since that year nine naturalisation ceremonies have been conducted and the two to which Mrs. Hutchison was invited included one when she represented the Leader of the Opposition (The Hon. A. R. G. Hawke, M.L.A.), and on another occasion she accepted an invitation to attend a naturalisation ceremony held on the 5th February, 1962. Those were the only two occasions since 1960 when Mrs. Hutchison attended naturalisation ceremonies. I make this statement so that the story can be put correctly.

### Point of Order

The Hon. R. F. HUTCHISON : I want to make a personal explanation.

The PRESIDENT (The Hon. L. C. Diver): There can be no debate on the statement made by Mr. Robinson.

The Hon. R. F. HUTCHISON: I was going to ask permission under the same Standing Order to make a statement in relation to the debate, when Mr. Robinson stated that what I had said was untrue. I have attended naturalisation ceremonies since 1954.

The PRESIDENT (The Hon. L. C. Diver): The honourable member cannot at this juncture make a personal explanation along those lines. If that is permitted the Standing Orders would be stretched to their limits in this regard.

The Hon. R. F. HUTCHISON: Can I make the personal explanation at the next sitting of the House? I had intended to make a personal explanation when the episode happened the other evening. I want to make such an explanation because I must clear the matter up. I take great objection to the remark made by Mr. Robinson that what I have said was untrue. It was not untrue.

The PRESIDENT (The Hon. L. C. Diver): The honourable member cannot continue the debate. Mr. Robinson has brought along documentary evidence.

The Hon. R. F. HUTCHISON: I, too, can bring along documentary evidence.

The PRESIDENT (The Hon. L. C. Diver): I cannot allow the debate to continue at the present time.

The Hon. H. R. ROBINSON: Under the circumstances do you, Mr. President, desire me to table the replies which Mrs. Hutchison sent to my shire council? I am prepared to table them if that is the desire of members.

The PRESIDENT (The Hon. L. C. Diver): They have not been called for by members.

The Hon. F. J. S. WISE: Will you, Mr. President, interpret Standing Order No. 383? If Mrs. Hutchison seeks the indulgence of this Council, is there any reason why she may not make a personal explanation at this stage?

The PRESIDENT (The Hon. L. C. Diver): None whatsoever. If Mrs. Hutchison seeks the permission of the Council she can do so, but she has not sought it. She rose to continue the debate.

## QUESTIONS ON NOTICE

### WAR SERVICE LAND SETTLEMENT

#### *Valuations of Properties Producing Wool*

1. The Hon. G. C. MacKINNON asked the Minister for Mines:

Further to the answers given to questions asked with reference to

War Service Land Settlement and recorded in *Minutes* No. 28 dated the 9th October, 1962—

- (1) With regard to valuations of properties mainly engaged in wool production, what is the estimated price of wool on which such valuations are based?
- (2) Is it considered that the net proceeds of farms so far valued are sufficient to meet all commitments and obtain the standard of living decided upon; viz., £725 per year?
- (3) Will the Minister give an assurance that where it can be proved that after meeting all commitments, a settler cannot obtain the reasonable standard of living of £725 per annum, his rent will be adjusted to a figure which will enable him to retain the net figure of £725 as stated to be the standard?

The Hon. A. F. GRIFFITH replied:

- (1) Valuations are not based on the price of wool.
- (2) Yes.
- (3) No. Such an assurance would only reward inefficiency.

### ESPERANCE ABATTOIR PTY. LTD.

*Incorporation, Capital, Directors, and Shareholders*

2. The Hon. R. H. C. STUBBS asked the Minister for Justice:
  - (1) On what date was the Esperance Abattoir Pty. Ltd. incorporated under the Companies Act?
  - (2) What is its nominal and paid up capital?
  - (3) Who are its directors?
  - (4) Who are its shareholders, and what are their shareholdings?

The Hon. A. F. GRIFFITH replied:

Ordinarily I would say the information was available at the Companies Office, upon payment of a search fee, but on this occasion I have gone to some trouble to get the lengthy information, as requested by the honourable member. The answers to the questions are—

- (1) The 15th December, 1961.
- (2) Nominal capital £250,000 divided into 1,000,000 shares of 5s. each and paid-up capital £8,901.
- (3) At the 31st March, 1962, the directors were: Nils Arnold Blumann, of Gibson; Robert Meakins Mounsey, of Willcock Street, Cannington; David

Merritt Speed, of 3 Rose Avenue, South Perth; Edward Robert Mutzig, of 54 Wittenoom Street, Kalgoorlie.

- (4) At the 31st March, 1962, the shareholders and their holdings were: Nils Arnold Blumann, Gibson, ordinary 1,000; Gerald Leonard Honniball, 115 Winthrop Avenue, Nedlands, 4; Robert Meakins Mounsey, Willcock Street, Cannington, 400; Edward Robert Mutzig, 54 Wittenoom Street, Kalgoorlie, 400; David Merritt Speed, 3 Rose Avenue, South Perth, 400; Nathalie Catherine Speed, 3 Rose Avenue, South Perth, 2,000. On the 11th August, 1962, a further 31,400 shares were allotted; the names and holdings of the allottees are set out in the returns which I now lay on the Table of the House.

*The returns were tabled.*

### RAILWAYS: TOILET FACILITIES

*Use of C.W.A. Premises at Norseman*

3. The Hon. R. H. C. STUBBS asked the Minister for Mines:

- (1) Is it a fact that the Railways Department is negotiating with the Norseman Branch of the Country Women's Association for the use of the toilets on their premises adjacent to the Norseman railway station?
- (2) Does this mean that the Railways Department admits toilets are necessary?
- (3) If the answer to No. (2) is "No," what is the reason for the negotiations?

The Hon. A. F. GRIFFITH replied:

- (1) An approach was made to this body for use of toilets in view of requests for this facility at Norseman.
- (2) No.
- (3) It was noticed on a recent official inspection of Norseman that a C.W.A. toilet existed near the station and it was felt that if the C.W.A. was prepared to permit use of this convenience by members of the travelling public it might meet the local requests. Subsequent advice from the C.W.A. indicates that it is reticent to accede to the request; and, in the circumstances, it is not proposed to pursue the matter further as the department's action was undertaken purely in an effort to meet local wishes.

### LICENSING (ROTTNEST ISLAND) BILL

*Second Reading*

THE HON. F. D. WILLMOTT (South-West) [4.47 p.m.]: I move—

That the Bill be now read a second time.

This Bill seeks to amend the Licensing Act so as to permit the sale of liquor on licensed premises on Rottnest Island between the hours of 12 noon and 1 p.m., and between 5 p.m. and 6 p.m. on Sundays.

I am aware that this legislation seeks a privilege for this particular locality, a privilege which is denied to other licensed premises within a 20-mile radius of the Perth Town Hall. I understand that the hotel on Rottnest is about 30 chains inside the 20-mile radius. Members will recall that quite recently this House agreed to a Bill introduced by Mr. Baxter to alter the 20-mile radius, to some extent, so that the distance will be 20 miles by the nearest road route. That would probably bring Rottnest within the amended zone; that is if there was a road route to Rottnest; but there is none, so Rottnest will not be covered by the provisions of that Bill.

The Hon. N. E. Baxter: In 1960 a similar Bill was introduced which contained the term "by sea."

The Hon. F. D. WILLMOTT: The position held by Rottnest Island is, I think, quite unique in Western Australia. The fact that this island is separated from the mainland by a large stretch of seaway gives it complete isolation, and lends to it an atmosphere of freedom unlike that found in any other resort. Before the establishment of the hotel on Rottnest Island, all liquor supplies were obtained either from the mainland, or from the pleasure boats, which usually had licenses and which did a large bottle trade with visitors and the people on the island.

This situation eventually led to the island acquiring a somewhat unsavoury reputation for unrestricted and under-age drinking. The establishment of licensed premises was the means of bringing some improvement to the drinking habits on the island. Since the hotel was established, Sunday drinking has been the accepted practice, although this was not strictly legal.

There is a tremendous number of tourists and others who make Sunday their day of pleasure, as it is often the most convenient day for them. So we find there are many visitors to Rottnest on Sundays; and I firmly believe that orderly drinking on licensed premises is greatly to be preferred to unrestricted drinking from cans and bottles taken ashore by these visitors.

A few months ago the licensee of the Rottneest Hotel was prosecuted for trading on a Sunday, and since then he has refused to leave himself open to similar charges.

The Hon. N. E. Baxter: He was not entitled to any immunity was he?

The Hon. F. D. WILLMOTT: No; I have already said that. Consequently the residents of Rottneest, and visitors, are unable to make use of a privilege which is enjoyed by everyone living in the metropolitan area who has a car or who is a member of one of the many clubs which are allowed to supply liquor on Sundays.

I understand that the Rottneest Island Board is solidly behind this move to legalise Sunday drinking on the island. They realise that the biggest influx of visitors is on a Sunday, and because of this the Licensing Act, in its present form, is very detrimental to the island as a tourist resort.

I think members will realise that the passing of this measure will not lead to a vast number of people flooding Rottneest simply for the sake of obtaining a few Sunday drinks, as there are easier ways of doing that than making a 12-mile sea or air trip.

It should be remembered that people on Rottneest cannot avail themselves of the opportunity to obtain a drink on Sunday in the same way as persons on the mainland can, simply by visiting the nearest hotel permitted to trade on Sunday; and I firmly believe that regulated drinking on licensed premises is greatly to be preferred to indiscriminate drinking from other sources, which so often attracts the hooligan type.

Debate adjourned until Thursday, the 8th November, on motion by The Hon. R. Thompson.

## **MOTOR VEHICLE (THIRD PARTY INSURANCE SURCHARGE) BILL**

### *Second Reading*

Debate resumed, from the 1st November, on the following motion by The Hon. A. F. Griffith (Minister for Mines):—

That the Bill be now read a second time.

THE HON. F. J. S. WISE (North—Leader of the Opposition) [4.53 p.m.]: I do not like this Bill at all. I think its correct title should be "A Bill for an Act to impose a further tax of £1 per annum on all motorists". It would then truly depict its intention.

The Minister when introducing the Bill stressed two or three aspects from the Governments's angle, the first one being the deficit which faces the Government even after the generous treatment by the Commonwealth Grants Commission. The next was the fact that Victoria had introduced

similar legislation; and, thirdly, that that legislation was having a prejudicial effect on the allowances made to the State by the Grants Commission. I will deal with those matters in their order.

First of all, however, I would like to draw attention to the fact that the motorists of Australia—both as individuals and as a group—are the most severely taxed people of the Commonwealth. The Commonwealth Government for the year 1961-62, which is the last completed year, collected in customs and excise combined on petrol tax collections, excluding aviation spirit, a total sum of £63,695,452. That is a tax which no motorist can avoid and which he commences to pay as soon as he fills his tank and his wheels commence to turn.

All members who have followed the Commonwealth taxing measures through the years will appreciate that this is one of the taxes which belonged wholly to the States not so very long ago, and which was filched from the States by the Commonwealth and handed back as being beneficent or kindly treatment on the part of the Commonwealth. We have reached the situation today where all the States share in approximately £40,000,000 a year from the Commonwealth—a little bit more since the matching grant was made, to which I will refer later—and the Commonwealth keeps the balance. The Commonwealth keeps more than £20,000,000 a year from petrol tax which the Australian State motorists pay.

In addition to that the Australian State motorists pay over £50,000,000 in sales tax. This is on new vehicles and such things as parts, batteries, and the like. In short, the motorists are being bled white from every angle where a tax may be imposed upon them.

If we look at the report of the Commissioner of Police, which was tabled today—and I have only had time to take out one figure from it since the House met—we will find in appendix Q that there is collected from the owners of all vehicles licensed in the metropolitan area the sum of £2,503,000 for the last financial year. That amount has grown in the metropolitan area since 1958-1959 when the figure was £1,686,398. In short, since 1958-1959 there has been an increased burden of over £850,000 placed upon the motorists of Western Australia who pay their license fees in the metropolitan area. In the year 1960-1961 the amount was £2,337,000. So the license fees and other amounts which are collected by the Commissioner of Police in the metropolitan area are going up by approximately £200,000 a year.

In addition, the motorist is paying on all new purchases in this State very heavy sums. If he buys a car under hire purchase—and most are forced to buy on

terms or under hire purchase—he pays stamp duty at the hire-purchase rate on his motor vehicle; and he has to pay his third party insurance premium when he pays his license, and he usually takes out a comprehensive insurance policy for his own protection. So the amounts which the motorist is obliged to pay to keep his machine on the road are reaching exorbitant proportions.

Let me now take the point raised by the Minister, and I will quote his exact words. When the Minister introduced the Bill he said—

Victoria was the first State of the Commonwealth to introduce a third party insurance surcharge tax. That was in 1959.

I want members to follow closely the next words spoken by the Minister. He said—

The introduction of the tax in Victoria has adversely affected this State because of the unfavourable adjustment for third party insurance surcharge made by the Grants Commission. That adjustment is based on the Commission's calculation of the relative severity of taxation in Western Australia in this field, as against the standard States, of which Victoria is one.

I think the Minister would not intentionally make an untrue statement to this House; but that statement is not in accordance with fact.

The Hon. A. F. Griffith: I did not mean to imply that it had already been imposed.

The Hon. F. J. S. WISE: There can be no excuse for it when such words as those are used, because they are repeated later, and I will quote them. The Minister said—

The introduction of the tax in Victoria has adversely affected this State because of the unfavourable adjustment for third party insurance surcharge made by the Grants Commission.

That is not true. Towards the end of his speech the Minister said—

In introducing the Bill, I would emphasise that this surcharge is payable into the Consolidated Revenue Fund, and in no way increases the income of the Motor Vehicle Insurance Trust.

That is a fact. To continue—

Its purpose is to reduce, in some measure, the burden placed on the Consolidated Revenue Fund by motor vehicle accidents and the cost of traffic supervision and control, and to remove the financial effects of the adjustment for relative severity of taxation imposed by the Commonwealth Grants Commission on account of the third party surcharge levied in Victoria.

Those are plain words; plain English. It is of no use the Minister now saying that he did not intend to convey the impression that the charge had already been imposed; because he says so twice. But let us have a look at what the Grants Commission has to say on the subject. In its twenty-ninth report, which is the report for the year 1962, and which became available to members only a day or two ago, the Grants Commission deals with the relative severity of State non-income taxation, and in paragraph 158 has this to say—

The total, and the *per capita*, revenue raised by each State from motor tax, estate duties, stamp duties, land tax, liquor tax, racing tax, entertainment tax, lottery revenue, poker-machine license fees, and licenses, *n.e.i.* are shown on pages 134-135.

Under the heading "State Non-income Taxation" the Grants Commission, therefore, includes all the items I have mentioned. The report goes on in paragraph 160 to say—

The Commission's calculations show that, in 1960-61, if the claimant States had raised taxes at the average rates and with the average exemptions applied in the standard States, Western Australia would have raised £217,000 less and Tasmania £218,000 less than was actually raised.

Then in paragraph 161 it states—

Motor taxation revenue is also left out of account (as it has been in recent Reports) because it is regarded as a special-purpose tax and is taken into account in making budget corrections for the impact of road finance on the State budgets.

I would like members to listen to the words that follow:—

For Western Australia, the amount of the favourable adjustment has not been modified, as it has in previous years, on account of low levels of motor taxation because there was no disparity between Western Australia and the standard States in motor tax rates in 1960-61.

Those are the words of the Commonwealth Grants Commission in this year's report. After summing up the impact of all these taxes on the non-income taxing matters, the commission gave for this State a favourable adjustment of £250,000. So it is entirely wrong to say that the introduction of the tax in Victoria has adversely affected this State because of the unfavourable adjustment for third party insurance made by the Grants Commission.

The Hon. R. Thompson: We are being misled.

The Hon. F. J. S. WISE: That is not the situation at all. Indeed, the only State that has introduced a third party surcharge tax is Victoria. The only part of

this report which I hold in my hand, and in which this is mentioned, is in the review of motor taxes—the section that reviews the non-income taxes of all States. The figures are given in detail in appendix 1.

The report does not suggest, in any part of it, that because Victoria has imposed a surcharge, Tasmania should come into line or that Western Australia should come into line. Indeed, what would happen when this is reviewed, if it is reviewed? And if it is reviewed it will not be reviewed this year or next year, may I say to the Minister? The accounts of Victoria for the year upon which this surcharge has been imposed will not be examined by the Grants Commission until two years after the tax is levied. That is the situation. This could be the effect if it is considered on the point of paying the extra tax—a special tax imposed by one State: it may be ignored altogether.

If, however, it is accepted as a valid motor tax within the taxable capacity of the motorists of all the States, the mean would be the amount arrived at; and since Victoria does not charge it at all, the mean would be 10s.

The Hon. A. F. Griffith: Victoria does not charge it?

The Hon. F. J. S. WISE: I mean, New South Wales does not charge it, so the mean would be 10s. and not £1.

The Hon. A. F. Griffith: And what happens if New South Wales introduces it?

The Hon. F. J. S. WISE: I am not going to deal with any hypotheses at this stage; I will deal with the facts.

The Hon. A. F. Griffith: It is hypothesis to say that New South Wales will not introduce it.

The Hon. F. J. S. WISE: New South Wales has not introduced it at the moment. That is not hypothesis, but fact.

The Hon. A. F. Griffith: That is right.

The Hon. F. J. S. WISE: Therefore it would be dealt with at a time when it could have no impact at all on the State Budget or grant. That is the fact.

So we have it clearly set out on pages 74 and 75 that not only have the motor license fees and the income from motor taxes been ignored by the Commonwealth Grants Commission—the commission says so; it is not taking them into account—but that for all the taxes under the headings I have mentioned the commission is giving us a favourable adjustment.

The paragraphs dealing with the differential impacts on the financial results of State undertakings show where we are getting an unfavourable adjustment; and we are getting an unfavourable adjustment on our social services; on our railways; and, for the time being, a deferred consideration on State ships. But on all of the things that are listed on page 75 of the report we lose £687,000; and that

includes all State undertakings and a penalty of £200,000 in respect of the railway finances.

So far as I can see there is no attempt made in the taxing measures before Parliament at this point to turn unfavourable ones into favourable ones, but simply to ensure that wherever there is a lower *per capita* average in this State in respect of any tax, compared with the other States, the Government intends to lift us to the average of all Australia, if not to that of the standard States. I consider that is not necessarily the right approach at all, especially as the Grants Commission says to us in appendix 4 of this report—

We acknowledge that some of your taxes *per capita* are lower than the standard States. But in spite of that being the situation, in the over-all position we are prepared to make you a favourable adjustment for your non-income tax taxes.

The Commonwealth Grants Commission has been a wonderful body through the years in considering the problems of Western Australia. It is not a question of largesse from the Commonwealth through its actions under that very short section of the Commonwealth Constitution—section 96 which consists of only three written lines stating that the Commonwealth may make grants to the States. Since 1953-54, right up until this year, we have had remarkable consideration from the Grants Commission following the representations made by the various Premiers in respect of the disabilities, initially, and then with regard to the comparisons between this State and the standard States.

This financial year we will receive £6,210,000. Last financial year we received £6,156,000. Indeed, in 1958-59 we received over £11,000,000 from the Grants Commission's recommendations and as a result of the Bill passed by the Commonwealth Government.

It has been said by Ministers in the present Government that we should not slavishly follow what other people do; that we need not necessarily be tied to standards, or even to recommendations of the Grants Commission. That was said in another House of Parliament in this State, by a Minister. It seems to me, however, that there is a good need to searchingly inquire into every avenue where there remains a lag in this State, as distinct from the *per capita* payments on different taxes in other States of Australia.

If we examine that prospect for a moment we will find how impossible it will be—unless the over-all position is taken by the Grants Commission; as it is—to dovetail the separate interests of the different States. Let us consider something that members of this Chamber were interested in a year or two ago; and they were so

interested that a Select Committee was appointed to inquire into the matter. I refer to school buses. Let us take the case of stamp duty, or motor taxes. We find that we are £1 below the Australian average *per capita* in stamp duty; whereas in the case of motor taxes I think we are *per capita* 8s. below Victoria.

Let us look at the adjustments between the States that would be necessary, for instance, in the transportation of school-children. I quote from page 140 of the current Grants Commission report. This shows that transportation of school-children in New South Wales costs 10s. 7d. *per capita*, whereas in this State it is 27s. 4d. *per capita*. Are we going to try to level that out? Of course not; that would be impracticable.

Let us consider the hospital charges. Are we going to bring those down to the mean of the other States when we find that the Grants Commission's recommendation adversely affects our Budget by imposing a loading or an adverse allowance? We would be in a different position from the one in which we find ourselves on those taxes, because in the over-all picture the Grants Commission not only mentions motor vehicles and the position allied to them, but it states it has not taken them into account; indeed it states it is giving us a favourable adjustment of £250,000.

I would next like to mention that under another Statute the Government is now taking far too much from the motor users of Western Australia. All members of this Chamber will recall what is known as the matching grant, as affecting the Federal Aid Roads Agreement which was introduced into this Chamber in 1959. It was in 1959 that there was an alteration to the formula which had been in existence since the 1920's, and which had applied to the distribution of petrol tax. From the 1920's onwards the petrol tax had been distributed among the States on the basis of three-fifths population and two-fifths area; with Tasmania getting 5 per cent. of the collections in any case. When it was altered in 1959, Tasmania still received 5 per cent.; but the balance was divided on the basis of area one-third, population one-third, and motor vehicles registered one-third.

The registration of motor vehicles has such a close alliance to the population that there was not a violent alteration to the population-area component of the earlier agreement; although in the over all, because of the lack of density in population, Western Australia did suffer temporarily under the 1959 agreement. But this was made good by a special adjustment of, from memory, £316,000 in that year.

In the year 1959 the Commonwealth arranged that, in the succeeding five years, £220,000,000 would be distributed to all of the Australian States—a little over £40,000,000 a year. In addition, from the

money collected from our own motorists the Commonwealth was going to give us something bounteous—something in excess of £30,000,000 over the five years under the same basic formula, provided the State made collections in excess of the 1950 tax figure, and spent it on roads. That was the basis.

So whatever was spent in 1960, above that spent in 1959, from State resources on roads, and for the four years after that period, the Commonwealth would match the State's amount pound for pound. As far as Western Australia was concerned a Bill was introduced to amend the Traffic Act—amendment No. 11 of 1959. That legislation provided that this State agreed to a formula according to the Commonwealth law, No. 39 of 1959, from which there is no chance of our departing. I wish to read an extract from it in a moment. There is no chance of the States deviating from the Commonwealth law No. 39 of 1959. They are all held to it.

So the moneys we collected above the 1958 level were matched pound for pound from the Commonwealth, and distributed according to the formula in the Traffic Act, 1959.

The Hon. A. F. Griffith: Each year.

The Hon. F. J. S. WISE: In each year. It is an increasing sum.

The Hon. A. F. Griffith: As a matter of fact it doubles.

The Hon. F. J. S. WISE: It is an increasing sum. An interesting part is that on analysis if we exceed in any one State of the Commonwealth any one of the factors of population, motor vehicle licenses, and so on, which go to make the contribution—and which in the more populous States are increasing at a greater rate than are we, and are accordingly likely to get much more from this fund in money over the five years *pro rata* than will this State; because we will get the lesser of the two sums between that level and the basic rate—this matter will be taken into consideration.

We find that in 1959-60 we expected £300,000; in 1960-61, £700,000; in 1961-62, £1,060,000; in 1962-63, £1,400,000; in 1963-64, £1,760,000, making the amount for Western Australia over the five-year period £5,270,000. Let us see how we have proceeded. It was said during the debate in this House—and I recall it well—that the Government was striking too high a figure, and would have more money than it could match during the five years.

The position today indicates that those anticipations were correct. The first adjustment which was made—and which is reported on in the Auditor-General's report for 1960—shows that we had an excess over the matching money of £136,500, which amount was placed in suspense at the Treasury. In the next year it will be found that transfer to Treasury receipts

in suspense was £294,000 in excess of the collections required for the matching needs of that year.

In the report of the Auditor-General this year we find that after receiving from the Commonwealth £1,051,647—which was very close to the round figure of £1,060,000 anticipated three years ago, and which I quoted—and after all disbursements; and after transferring £294,000 to suspense in the Treasury; and after carrying a credit balance of £1,412,000, it appears, when over £1,000,000 will have to be found in each year, that this fund will finish well over £1,000,000 in excess of the money that the Commonwealth has agreed to match.

The Hon. H. K. Watson: What is the present excess to the 30th June, 1962?

The Hon. F. J. S. WISE: The honourable member will find the figure on page 84 of the seventy-second report of the Auditor-General. The credit balance is £2,112,000.

The Hon. A. F. Griffith: What happened to the 1959-60 amount, and the 1960-61 amount?

The Hon. F. J. S. WISE: What was not transferred to suspense has been carried forward and is shown in the Auditor-General's report as a credit in the fund; and the unexpended balance now held with the collections that are current—quite apart from amounts held in suspense—will be ample to meet the amount of £1,400,000 to be matched by the Commonwealth this year.

The Hon. A. F. Griffith: And none made available to local authorities or the Main Roads Department?

The Hon. F. J. S. WISE: Oh, yes! Local authorities within the metropolitan area received a payment in 1961-62 of £328,000; local authorities not within the metropolitan area received £396,000; the Main Roads Trust Account received £392,000; and the Main Roads Contributions Trust Account received £293,000.

The Hon. A. F. Griffith: How much in total?

The Hon. F. J. S. WISE: The total is £1,412,000.

The Hon. A. F. Griffith: After that disbursement how can there be that amount still lying there?

The Hon. F. J. S. WISE: I am saying there is still lying there—without the amounts held in Treasury suspense—enough to pay the matching sum necessary for this current year. So that in 1959, quite on top of these extra taxes and charges which the motorist is paying—this sum specifically collected for roads in King's Park, and for other roads in the metropolitan area and outside the metropolitan area—there will be at the end of this period a lot more money than the £5,000,000 which the Commonwealth will pay under Act No. 39 of 1959.

The Hon. A. F. Griffith: And from year to year distributed in the manner it was intended it would be distributed.

The Hon. F. J. S. WISE: Far more than is necessary has been collected from the motorist. That is the point. What is going to happen to this matching money at the end of the Commonwealth Act? Whatever happens to it—whether it has been spent on a new bridge over the Swan River, or something else—it has been taken from the motorists of Western Australia. When this Act of 1959 expires there will have to be a disbursement from this fund, as there will be no more Commonwealth matching money available. I have no doubt it will be applied to roads or works associated with transport. It could be applied to river work, a bridge, or harbour work. No doubt it will be properly applied.

My point is this: The proposed surcharge is to be imposed on third-party insurance as a means of easy collection to catch every motorist, because he must insure third party and the £1 goes straight into Consolidated Revenue *via* the Commissioner of Police, *via* the third-party insurance fund. That is all there is to it—an extra tax of £1 on the motorist. It has nothing whatever to do with third-party insurance as a benefit.

I forecast this: That with the need for more protection and benefits under third-party insurance the motorist of this State is likely to have a big burden placed upon him in added insurance requirements under third party. That is probably entirely unavoidable; but this tax, in my view, is both avoidable and an improper way of doing it.

There is certainly no background of recommendation, advice, urge, decision, or direction from the Commonwealth Grants Commission; and I repeat, on that point, even if the Grants Commission does pick up that £1 surcharge of Victorian law to direct a penalty against this State for lower motor vehicle taxes, it will not be for two years hence, anyway.

So I leave it at that. I think we are collecting too much money under the 1959 amendment in regard to the matching grant. I think there is no direction or recommendation—indeed, definitely there is no direction or recommendation from the Grants Commission to impose this burden on our people.

The Hon. A. F. Griffith: How much money do you think there is in the matching grant now in this suspense state you referred to?

The Hon. F. J. S. WISE: Held at the Treasury?

The Hon. A. F. Griffith: Yes.

The Hon. F. J. S. WISE: Well over £500,000, I would think.

The Hon. A. F. Griffith: For each year?



The Hon. F. J. S. WISE: There will be for two years.

The Hon. A. F. Griffith: Don't you think it gets expended each year as it comes in?

The Hon. F. J. S. WISE: No; it is still held. In fact, one reference in the Auditor-General's report states it is still held.

The Hon. A. F. Griffith: I thought it was cleaned up from year to year and given to the purposes for which it was intended—local authorities and main roads.

The Hon. F. J. S. WISE: No; the Minister will find these sums balance out as the years go on. There is a footnote in this year's Auditor-General's report, as at the 30th June, in reference to the figure of £294,000 taken out last year.

The Hon. H. K. Watson: What page?

The Hon. F. J. S. WISE: Page 84. The footnote states—

This amount was still held in Treasury receipts in Suspense Accounts at the 30th June, 1962.

The Hon. H. K. Watson: How much?

The Hon. F. J. S. WISE: That was last year's transfer of £294,000. The point I raise is this: What happened to the 1959-1960 and 1960-1961 amounts?

The Hon. A. F. Griffith: I could not say if they were distributed.

The Hon. F. J. S. WISE: The Minister cannot say; he is only guessing.

The Hon. A. F. Griffith: I understood they were distributed from year to year.

The Hon. F. J. S. WISE: The Minister thought these amounts were distributed; but they are still held in suspense—and the Auditor-General's report says so.

The PRESIDENT (The Hon. L. C. Diver): Order!

The Hon. F. J. S. WISE: Mr. President, we are not allowed to make any wagers in this Chamber or in the precincts of this House whether on the Melbourne Cup or anything else, but I would like to wager an article of my wearing apparel, if I am still living in 1964, and make a guess on the amount that will be unable to be matched because of excess collections.

The Hon. H. K. Watson: You say the Commonwealth grants here are not "even stevens" with the amount of collections here?

The Hon. F. J. S. WISE: That is it; more like Comicquita! It is obvious I do not like the Bill, and I intend to vote against it.

THE HON. N. E. BAXTER (Central) [5.39 p.m.]: When speaking recently on the Supply Bill I expressed my sentiments in this Chamber in relation to State finances and State taxation; and we have just listened to a very enlightened speech by Mr. Wise on this particular taxing measure. I believe he hit the nail on the head

when he pointed out to this Chamber that there is no indication that the Grants Commission will penalise this State if it does not impose this tax. I am quite convinced of that.

I would like to quote from page 28, item 45, of the Commonwealth Grants Commission's report as it is related to State expenditure and the need to raise additional revenue by the manner proposed in this Bill. I quote—

The rate of increase in the expenditures of departments for which adjustments have not been made by the Commission is undoubtedly a possible source of a higher rate of growth in special grants. On that account the expenditures of those departments require to be reviewed closely by the Commission, and by the States themselves. Almost without exception the expenditure *per capita* of these departments is higher in the claimant States than in the other States. The reasons for this, in the case of specific departments, is at present being investigated by the Commission in conjunction with the claimant States. Similar administrative functions probably cost more *per capita* in States of small population in respect of many departmental activities but this discrepancy might be narrowed if the populations of the claimant States increased more rapidly than those of the standard States. On the other hand a widening of government responsibilities in response to economic development or to changes in the needs of the community may cause the discrepancy to widen. The movements of these costs in the claimant States and their relation to similar costs in other States must be the subject of further careful investigation by the Commission.

That can cut both ways; but it does indicate that the Grants Commission is not inclined to take the view that if the *per capita* costs of the departments are greater in the claimant States than the standard States it is going to penalise the claimant States.

According to that statement the commission is prepared to give consideration to the fact that *per capita* costs in departments of the claimant States must necessarily be greater than in the standard States.

The Hon. A. F. Griffith: Do you think that will pertain to every impost we have to make?

The Hon. N. E. BAXTER: I do not say it will pertain, by a long shot, to every impost the Government has to make, but it does indicate that the Grants Commission is prepared to recognise these factors. I do not think for two minutes the commission is going to balance these higher *per capita* costs against a tax like

this one levied upon the motorists who, as Mr. Wise indicated, are paying through the nose at the present time.

I object to a tax of this nature as it is to be imposed on people who are paying high taxation on high costs involved in the purchase and running of their vehicles. If the Government adopted another view and decided to impose a tax on excess profits—on those who are making money and can afford to pay—well and good, but to impose the tax on every person in the community who runs a motorcar is not good enough. In some instances people are required to run a number of vehicles for the purpose of their business.

I can instance quite a lot. There are farmers in my province who run not one, but three or four vehicles on their properties; and those farmers will be hit at for each of those vehicles, and will have to pay the surcharge for which they will get nothing in return, as it is a direct tax on the motoring community.

The Hon. A. F. Griffith: How would State Governments go about taxing excess profits?

The Hon. N. E. BAXTER: We had an excess profits tax on the statute book of this State not so very long ago.

The Hon. A. F. Griffith: Which one was that?

The Hon. N. E. BAXTER: I think it was the year 1955 or 1956. It was prior to legislation concerning price-fixing. Perhaps the Minister can check that, and he can prove whether I am wrong.

The Hon. A. F. Griffith: You have not proved that you are right. I just wanted to know.

The Hon. N. E. BAXTER: As Mr. Wise said, the criticism of the Grants Commission is unfounded when one looks at page 74 of its report. There was an unfavourable adjustment to Western Australia amounting to £687,000. The differential impacts were railways, metropolitan transport, metropolitan water supply and sewerage, country water supplies, harbours, electricity, forestry, housing, and other undertakings including the State Shipping Service. When one refers to paragraph 164 on page 76, one sees that the adverse adjustments made for Western Australia amounted to £200,000 for railways and £60,000 for metropolitan transport. There was a further adjustment for other items of £427,000. The total net adjustment was £873,000, which included an adjustment for scale of social-services expenditure, and a favourable adjustment of £250,000 for severity of non-income taxation.

Under the formula, Western Australia has not been treated too badly by the Grants Commission; and I have no fears that we will, in future, be treated badly by the commission. The Grants Commission has always been reasonable in its

approach. I do not care what excuse the Government puts up, if it is not prepared to get down to sound finance, instead of looking for avenues of raising more money through taxation—whether it be by this measure or by other measures—then I do not see why Parliament should support these issues.

Let us get back to some sense of economy—to the idea of using our money in the most economical manner.

The Hon. C. R. Abbey: What about the railways? Haven't they made some progress?

The Hon. N. E. BAXTER: I must admit that they have. The railways have made great strides. But I maintain that other departments could also make great strides in finance, but they have not done so. I cannot see my way clear to support this measure under the existing circumstances.

THE HON. A. R. JONES (Midland) [5.49 p.m.]: I do not wish to cast a vote without making some comment on the position. I said the other day that I did not like these taxing measures. To single out one measure in particular, I do not like this one; and I like it less now than I did a little while ago. I cast my mind back to when we were considering a Bill to bring down an Act to allow the Perth City Council to install parking meters and to impose a tax on the motorist for parking his vehicle. Somewhere in *Hansard* it will be found that I said the motorist was the most taxed person in Australia; that from the moment he had the thought in his mind to purchase a motorcar, he was subject to some sort of tax—even on the paper on which the contract is made out. From then on he never escapes.

My argument then was that having paid all these taxes, including road tax, license fee, and so on, he was going to have a further imposition placed upon him when he wanted to pull up on a certain section of the Queen's highway—he had already paid for a license in order that he might travel on that highway, and he would be subject to a tax to park on a section of it.

I am going to give credit to the Minister. I do not think he would deliberately mislead the House. If what has been said this afternoon is a fact—and I think it is conclusive from what I have heard—then the Minister may have misled us unwittingly; and I think that fact makes the reason all the stronger for not passing this legislation. Until I hear from the Minister, I will not condemn him. I am firmly convinced that the motorist should be given some consideration. All along the line we have taxed him, and taxed him.

As my colleague has said, many farmers, many business people, and many private persons have a number of motor vehicles to insure. Why should the Government single out these people to collect £250,000, or whatever is the amount which the

Government expects to collect? Why not pick out someone else, some other section of the community, and say, "You do not own a motorcar, so I think you should be taxed?" Why not those people who use the buses? It is just as simple, and equally justifiable, to say to them, "You shall pay a tax of £1," as for the Government to pick out the motorist because he happens to be a motorist and has to pay a license fee, insurance, and so on.

The Hon. A. F. Griffith: It is done for the reasons I have explained; because of the impact on hospitals, and so on, from this very section—motor vehicles on the road.

The Hon. A. R. JONES: I am obliged to the Minister for saying that; but it is not always the motorist who is to blame. In many cases the motorist is not to blame for an accident. A person goes to court and it is proved quite conclusively that the motorist is not to blame. I think everybody does his best to blame the motorist because the motorist has an insurance policy covering him.

The Hon. A. F. Griffith: I was not doing that at all.

The Hon. A. R. JONES: If the Minister is going to take that view, why could he not take the view that people ride in motorcars and they should perhaps pay some form of insurance which would cover their expenses if they were taken to hospital? The motorist is being called upon to protect some other individual, or to pay somebody else's debts. That is what it means. For those reasons I am going to reserve my ultimate decision on this matter. Unless the Minister has a good explanation to place before the House, I am going to vote against the measure.

**THE HON. J. G. HISLOP** (Metropolitan) [5.54 p.m.]: There are one or two points on which I would like enlightenment. It seems to me that in the last few months the fines that have been imposed on motorists have increased considerably. We are now fining persons who unfortunately, are apprehended for travelling over 40 miles per hour. Not only are the fines imposed considerably larger than those previously imposed, but the motorist has the added burden of having to find transport during a certain period. The amount which is being collected in fines each week in our courts must be considerably more than the quarter of a million pounds which this Bill is trying to raise. Is it necessary that this sum should be additional to the amounts which are already collected in fines?

The whole question of the fine that is imposed for travelling beyond 40 miles per hour is more like a lottery than anything else. I do not know how people are caught or how they avoid being caught. One has to realise that if a person travels along a road at 35 miles an hour, he is the slowest

driver on the road, and other cars are passing him all the time. The traffic police must be picking out motorists at random.

These motorists are an unlucky group. The situation is very much like a lottery; but one has to avoid buying a ticket in it. In an ordinary lottery one buys a ticket in the hope of winning some money; but here we have to say to ourselves that in order to save money we must avoid buying a ticket. One saves oneself from buying a ticket and from paying out money.

I would not mind so much if dangerous driving were involved. These fines add to the burden of motorists. If a businessman or a professional man is caught travelling at 42 miles per hour and he loses his license for a month, more than £1 tax is involved. His loss would amount to the best part of £70 or £80.

The Hon. F. J. S. Wise: A lot of people have been caught for not driving close enough to the kerb.

The Hon. J. G. HISLOP: Yes, and it is madness to do so; when one does that one could be in a lot of trouble.

The Hon. A. F. Griffith: The penalties under the Traffic Act are not related to taxing measures.

The Hon. J. G. HISLOP: The money which is being raised from these fines must, surely, go into Consolidated Revenue.

The Hon. A. F. Griffith: You could use the same argument for any penalty which is imposed under any Statute.

The Hon. J. G. HISLOP: This is a penalty which is being imposed on one section; and the same section is having another penalty imposed on it. What are these amounts which motorists have been paying in the last six to twelve months since these heavier fines have been imposed? I think they are a burden which every member of the motoring community is going to have to face.

The Hon. F. J. S. Wise: You will find a list of fines in the Police Commissioner's annual report.

**THE HON. G. C. MacKINNON** (South-West) [5.58 p.m.]: To my mind much of the debate has been in the nature of a complete red herring, and this is actually a measure to raise a certain amount of money with which to run this State.

The Hon. F. R. H. Lavery: Are you saying that Mr. Wise's speech was a red herring?

The Hon. G. C. MacKINNON: Every group in the community is taxed. There is a tax on the purchase of groceries, which is called sales tax. Is that a sectional tax? The fact that the Minister said certain action would be taken against us by the Grants Commission—and it was said to be an untrue statement—does not seem to me to be a valid argument for tossing out the Bill. One could say that it was an incorrect

statement, and one might try to prove it; and one might try to prove that the State needs this tax. Much the same thing applies to what Mr. Baxter said; and the king of red herrings is, I think, Dr. Hislop's. I mention his name to show that I am being quite impartial as between parties.

The Hon. F. J. S. Wise: That sounds a bit fishy to me!

The PRESIDENT (The Hon. L. C. Diver): Order!

The Hon. G. C. MacKINNON: We are demanding more and more in the way of Government expenditure; and we all know—because we have to go out and face people on these matters—that it is most satisfying to be able to say, "I opposed that taxing Bill, and because of me it was thrown out."

The Hon. A. F. Griffith: Or, "In spite of me, it went in."

The Hon. G. C. MacKINNON: By the same token, we may want an extra classroom, hospital or something else, and it is nice to go back and say, "Yes, you can have it." We need such things more and more in this State.

The Hon. E. M. Davies: They are for the benefit of the community as a whole.

The Hon. G. C. MacKINNON: Yes; and the community, in general, is taxed. I am a car driver; I smoke cigarettes; and I also drink a certain amount of liquor, all of which are most heavily taxed. But as a wiser man than me once said, everything one enjoys is either immoral, illegal, or fattening; and I think he should have added, "and is taxed to the limit."

Taxes of any kind make us unhappy, but they have to be levied; and that seems to be one of the truths of modern life because of the conditions under which we live. We want the best of everything in so many ways, and in so many avenues—the best roads, the best schools, the best hospitals, and the best of so many other things; and I think we are entitled to them. However, whilst wanting those things, we have to be prepared to pay for them.

The Hon. A. F. Griffith: If we don't have these taxing measures we will be short by approximately £1,000,000.

The Hon. G. C. MacKINNON: That is so. The Minister made that point very adequately in his speech.

The Hon. W. R. Hall: Why should the motorist have to pay for it?

The Hon. G. C. MacKINNON: Why not? We could just as well say, "Why should the father have to pay sales tax on the clothes his children wear to school?" Why should one pay some other tax on groceries, food, and that sort of thing just because one is an eater? Why should I have to pay a tax on cigarettes? Because it is a legitimate way of raising money; and in

this Chamber I have heard Mr. Wise make that very point, and make it most eloquently.

The Hon. F. J. S. Wise: What is the point?

The Hon. G. C. MacKINNON: That if it is a legitimate method for the Government to use to raise money, let it raise money in that way.

The Hon. F. J. S. Wise: But this is not a legitimate method.

The Hon. A. F. Griffith: I explained it.

The Hon. G. C. MacKINNON: It is a legitimate method.

The Hon. F. J. S. Wise: No, it is not.

The Hon. G. C. MacKINNON: The only argument I have heard in opposition to it being a legitimate method is the question whether the Minister's statement in regard to the Grants Commission was right.

The Hon. F. J. S. Wise: You went to sleep.

The Hon. G. C. MacKINNON: No, I did not; I was listening.

The Hon. F. J. S. Wise: You were fast asleep.

The Hon. G. C. MacKINNON: I was not fast asleep—nothing like it. I just want to finish on this note: I do not like standing up here and supporting any taxing measures because I, too, have to face the voters.

The Hon. A. F. Griffith: Who does like taxing measures?

The Hon. G. C. MacKINNON: That is so.

The Hon. F. J. S. Wise: The Minister looks as though he enjoys them.

The Hon. G. C. MacKINNON: The point is that if we want all these amenities then we have to be prepared to pay for them. I can remember the last occasion we increased licensing fees on cars.

The Hon. E. M. Davies: They were not increased on heavier vehicles.

The Hon. G. C. MacKINNON: In the main the proposal was accepted; because we have been given better roads. I remember on that occasion—I would have to check through *Hansard* to make sure of it—when speaking against the proposal I spoke fairly forcefully and warningly on the whole principle of matching moneys. On that occasion I said I did not like the principle, and I still do not like it.

The Hon. A. F. Griffith: Do you remember the argument used to justify the tax on agricultural land, or the argument used to try to justify it?

The Hon. G. C. MacKINNON: Yes, I remember opposing that, too, because I was in a different situation then.

The Hon. E. M. Davies: This is third party insurance. This has nothing to do with motor vehicle license fees.

The Hon. G. C. MacKINNON: That is so, but—

The Hon. E. M. Davies: Why not say what they are going to use it for?

The Hon. G. C. MacKINNON:—I know it has been used by one other State already, and the same arguments used by the Minister to justify it on this occasion were used in that instance.

The Hon. A. F. Griffith: You are wrong. This is not third party insurance.

The Hon. G. C. MacKINNON: I dislike all taxing measures, but the fact remains that the Government has to get more money because of the urgent need for general development of the State, and to provide all the amenities that are being asked for. For those reasons I intend to support the Bill.

*Sitting suspended from 6.6 to 9.35 p.m.*

**THE HON. A. F. GRIFFITH** (Suburban—Minister for Mines) [9.35 p.m.]: During the past two hours I have been afforded the opportunity of studying some of the remarks made by members on this Bill, and I think the principal points to be dealt with are those raised by Mr. Wise. Once I have replied to them the remarks made by Mr. Baxter and Mr. Jones will not, in fact, have the same implication, because I think I can prove to the House conclusively that at least some of the points raised by Mr. Wise, were, as described by Mr. MacKinnon, red herrings drawn across the trail.

One of the matters which the honourable member decided to concentrate upon was to tell the House that I had made an incorrect statement—certainly not deliberately—to the House in suggesting that Western Australia had, in fact, suffered adversely from the the adjustment made by the Grants Commission in respect of the tax which had been imposed by Victoria.

I had better deal with that part first. The Victorian Bill was passed in October, 1959, as a temporary measure until the 1st December, 1960. Because it was a temporary measure, initially, and also for the reason that the tax had not been imposed for a full year, the Grants Commission held its fire—if I can use that expression—in respect of 1960.

When it became a permanent tax in 1961, however, the Grants Commission took this tax into consideration when making its final adjustment for the Western Australian grant for 1960-61. That is the year with which the Grants Commission is concerned in its 1962 report just issued. Therefore, Western Australia has actually been penalised at this point of time, and the statement which I made when introducing the Bill is quite correct. It was not made to mislead. It is, in fact, a correct statement. There is some background to this question, and I think I ought to acquaint the House of it.

The measure was made permanent in Victoria, and the question of its being taken into consideration by the Grants Commission was raised with the Under-Treasurer for Western Australia (Mr. K. J. Townsling) and the Under-Treasurer for Tasmania, because the tax was regarded by the Grants Commission as an effort by Victoria in that field of taxation. As a result of the discussions which took place between Western Australia and Tasmania, the respective Under-Treasurers came to the conclusion that they could not challenge the logical argument that this should be included in the adjustment made by the Grants Commission for 1960-61. Accordingly, it was included. I think that dispenses with that point of view.

Mr. Wise then turned his attention to the field covered by this Central Road Trust Fund. As far as I can gather the argument advanced by the honourable member was not the same as that pursued in another place about which I am not able to comment beyond saying that it was raised. This fund was established by an amendment to the Traffic Act in 1959 to meet Commonwealth requirements for the accounting of matching funds for roads made available under the Commonwealth Aid Roads Act of 1959. That Act provides for the payment of £30,000,000 to the States at the following rates in Western Australia:—

Year.		Rate. £
1959-60	....	2,000,000
1960-61	....	4,000,000
1961-62	....	6,000,000
1962-63	....	8,000,000
1963-64	....	10,000,000
Total		£30,000,000

I must make a correction in regard to those rates; they are not for Western Australia, but for the Commonwealth. The conditions under which funds are made available are—

That the States expend on road works, from their own resources, a sum equivalent to the amount received from the Commonwealth. The amount to be used to attract the matching funds is in addition to the amount spent by the States from their own resources on roads in 1958-59.

That the Commonwealth grants are spent on road works as defined in this particular Act.

That the States furnish the Commonwealth with a statement showing the amount allocated for road expenditure from State resources each year and the statement to be certified by the State Auditor-General.

The Commonwealth matching grant is allocated between the States as follows:—

5 per cent. to Tasmania.

One-third of the balance in proportion to the population.

One-third of the balance in proportion to motor vehicle registration.

One-third of the balance in proportion to the areas of the States.

Under this formula, Western Australia's share—I agree with the approximate figures quoted by Mr. Wise on this point, anyway—in 1959-60 was £351,591. In 1960-61 the amount was £703,533; in 1961-62, £1,051,647, and in 1962-63 and 1963-64 it is anticipated that the amounts will be £1,405,521 and £1,756,901 respectively. If all those figures are added the total comes to something like £5,269,000 odd.

It will be recalled that in 1959-60, for the purpose of attracting Commonwealth grants, the motor vehicle registration and driver's license fees were increased and special accounting arrangements made to meet the requirements of the Commonwealth. The collections from motor vehicle license fees above the 1958-59 level are paid into the Central Road Trust Fund. The drivers' license collections which were previously paid into the Consolidated Revenue Fund are now paid into the Central Road Trust Fund; and the matching grant from the Commonwealth is also paid into this fund.

I do not think Mr. Wise would mislead us, and I hope I have not misunderstood him—if I did then what I am saying is of no avail—but listening to him he seemed to have followed the same line of argument as had been followed elsewhere, that these funds, starting at approximately £350,000, were in fact accumulating; but that is not the case.

On pages 83 and 84 of the Auditor-General's report, from which Mr. Wise quoted, the amount of money which has gone into the Central Road Trust Fund up to date and the disbursements from it are shown. Over the year the amount that has been collected has, in fact, been disbursed except for the figure of £294,000.

The Hon. F. J. S. Wise: Plus some more.

The Hon. A. F. GRIFFITH: The amount of £294,000 is transferred to the Treasury receipts in suspense account, and the footnote states that this amount was still held in that account at the 30th June, 1960. The figures for the first three years are the amounts that have actually been received. The figures for the next two years are those which are anticipated to be received. They are only estimates and they may vary slightly when the population and the motor vehicle figures are finally determined by the Commonwealth Statistician.

In order to attract the Commonwealth grant, the Traffic Act was amended to provide for the payment into the Central Road Trust Fund of the collections from motor vehicle fees above the 1958-59 collections, and of the total proceeds of drivers' license fees. The Commonwealth Grant is also paid into this fund.

The country local authorities participate on a voluntary basis and received a share of the Commonwealth funds. Provision has also been made for the metropolitan local authorities to receive a share of the Commonwealth grants on the same basis. It is necessary for these funds to pass through the Central Road Trust Fund to enable the Auditor-General to certify the allocation, as required by the Commonwealth. The moneys paid into the Central Road Trust Fund are disbursed in the year following, as required by the Traffic Act. In fact, nearly all the contributions received from country local authorities are paid into the fund in the last few days of June in each year. As the moneys are received in one year and are paid out in the next there is obviously no build-up in the fund, and there is no build-up at the present time.

Reference to pages 83 and 84 of the Auditor-General's report for 1961-62 will show that the balance at the 30th June was £1,412,177, and this amount was paid out in the following manner:—

	£
Country local authorities ..	396,782
Metropolitan local authorities .. ..	328,090
Main Roads Department ....	686,230
Refunds to local authorities of amounts forwarded in error .. .. .	1,075
Total ....	£1,412,177

The balance in the Central Road Trust Fund at the 30th June was £2,112,377 as shown on page 84, and these funds were distributed in the following manner:—

	£
Country local authorities ..	518,386
Metropolitan local authorities .. ..	427,847
Main Roads Department ....	1,165,925
Refunds .. .. .	219

The payments to local authorities were made in July, 1962, and to the Main Roads Department in August, 1962. From this explanation it can be seen quite clearly that no funds are actually building up in the account.

The Hon. H. K. Watson: All those figures you have just mentioned total £2,122,377?

The Hon. A. F. GRIFFITH: That is so. So far as I can see what is held in this account is £294,000 and no more. When I say that no funds are building up in this account I mean that as they are received in one year, they are, in accordance with the legislation, disbursed by way of expenditure on roads in the next year. It cannot be any other way. It is quite fallacious to suggest there is a build-up in that account.

The Hon. C. R. Abbey: That amount of £294,000 is held to qualify for matching money from the Commonwealth in the following year?

The Hon. A. F. GRIFFITH: I shall come to that point. It was anticipated that the collections for the three years about which we are speaking would be greater in some proportion than the matching funds which the Commonwealth Government provides, because the total amount of £350,000, which compounds itself each year, was over and above the amount which the State expected to collect in the last two years.

We find we will need all of the £294,000 in the next two years to build up the funds to the point where this State can match the money which the Commonwealth Government will make available.

The Hon. L. A. Logan: The State will probably want more.

The Hon. A. F. GRIFFITH: That is correct. We will probably want more. This is completely contrary to what Mr. Wise would have us believe.

The Hon. F. J. S. Wise: I do not agree.

The Hon. A. F. GRIFFITH: If the honourable member does not, then he does not agree with what is written into the Auditor-General's report.

The Hon. F. J. S. Wise: I do not agree with your interpretation, or the interpretation of the Under-Treasurer as presented to you.

The Hon. A. F. GRIFFITH: If the honourable member does not agree with the Under-Treasurer's interpretation, then I cannot change his view, but that is the situation which has been presented by the Under-Treasurer and the Treasury. The Auditor-General's report states there is a sum of £294,000, and no more, held in suspense, because the Auditor-General's report indicates that the other funds which I have mentioned have, in fact, been disbursed.

The Hon. L. A. Logan: Anyway, none of that money goes into Consolidated Revenue.

The Hon. A. F. GRIFFITH: It is obvious from the figures published that the amount passing through this fund is increasing each year. It cannot do anything else, because of two particular factors. Firstly, the Commonwealth matching grant paid into the fund is increasing by a little more than £350,000 per annum; and, secondly, the collection from motor vehicle and drivers' license fees is increasing from year to year as more drivers are licensed and more vehicles come on to the road.

With respect to the vehicle and drivers' license fees, I should explain that in the first three years the amount collected exceeded the matching requirement by £294,000. As shown on page 84 of the Auditor-General's report, this amount is to be applied for matching funds in the last two years of the current programme; but present indications are that it is likely that most of this amount will be required in 1962-63.

The Hon. H. K. Watson: In order to get the maximum contribution from the Commonwealth?

The Hon. A. F. GRIFFITH: For the year 1962-63, for the time being, not worrying about 1963-64.

The Hon. G. C. MacKinnon: Will you have sufficient surplus for 1964?

The Hon. A. F. GRIFFITH: For 1963-64?

The Hon. G. C. MacKinnon: Yes.

The Hon. A. F. GRIFFITH: If there is any balance remaining, it will, in the same way, be paid into a suspense account for the requirements of 1963-64, not forgetting as Mr. Wise has said, that this is a five-year programme; and we want to make sure that the State has sufficient matching funds in 1962-63 and 1963-64 to meet the amount due from the Commonwealth.

I might mention that the £294,000 does not contain any funds contributed by local authorities. All these funds, together with the appropriate amounts from Commonwealth grants, have been paid to those bodies.

That is the situation; and I say again it is not, as Mr. Wise endeavoured to indicate, that I was misleading the House. I was not able, in the time available to me, to obtain any documentary evidence beyond that which I have given concerning the adverse adjustment of the Grants Commission.

The remarks made by the honourable member in connection with what the Grants Commission said in regard to motor vehicle registrations has nothing to do with this intended surcharge; and when I gave the second reading speech I gave the reasons for the surcharge, and I pointed out that similar circumstances existed in this State as in other States—that the net costs of the operations of hospitals had risen steeply over the past few years and that costs everywhere had risen steeply.

I say with the greatest respect to Mr. Baxter, who stated that he did not like this tax, that I am no more satisfied or contented to pay taxation than he is. However, as I said the other night, it is the responsibility of a Treasurer, a Premier, and a Government, to set down from year to year—as Mr. Wise had to do when he himself held the responsibility of Premier of this State—

The Hon. R. F. Hutchison: You did not say that when you were on another side of the House.

The Hon. A. F. GRIFFITH: You make a study of your *Hansards* to see what I said and then put it up here in your usual manner! As I was saying, it is the responsibility of a Government to set itself out on a programme of works and a programme of expansion, and then ascertain what it is going to need in the way of money from all sources; and when it finds out that there

is an adverse adjustment by the Grants Commission to an extent of £895,000, it has to do something about it.

It is for this reason the Government has, with a full sense of responsibility, presented this Bill, alongside two or three other taxing measures which are intended to make up the leeway of the adverse adjustment which otherwise the Grants Commission will impose upon us. We do not want to find ourselves in a situation where we have to meet our deficits from loan funds, because when that happens we have to cut down on the amount of works, such as schools, hospitals, and all the other requirements we hear members talking about concerning their particular electorates—and with justification.

There is no doubt that if we are going to have increases in wages and in the number of schoolteachers, policemen, civil servants, and so on, we can only get the money from one source, and that is from the people; that is unless we have a machine which can make it; but we have no such machine.

The Hon. C. R. Abbey: It would be a bit illegal, anyway, wouldn't it?

The Hon. A. F. GRIFFITH: So, with a full sense of responsibility, we have to ask the people of this State to pay it.

The Hon. A. R. Jones: Only a percentage of the people; that is the trouble.

The Hon. A. F. GRIFFITH: I suggest that that argument could be applied to whatever tax was imposed. It is not a percentage.

The Hon. F. R. H. Lavery: You are not suggesting that motorists represent all the people of the State, are you? There are a lot of people who are not motorists.

The Hon. A. F. GRIFFITH: Of course there are.

The Hon. F. R. H. Lavery: But it will only be the motorists who will be taxed.

The Hon. A. F. GRIFFITH: It will only be the motorists who will pay this particular tax.

The Hon. F. R. H. Lavery: That is quite correct.

The Hon. A. F. GRIFFITH: But the honourable member is not going to suggest that this is the only tax to be paid or levied. What about all the other taxes that have been imposed by Governments of the past?

The Hon. F. R. H. Lavery: And Governments of the future.

The Hon. A. F. GRIFFITH: Of course. The honourable member appreciates that Governments of the future will have to raise additional taxes, too, because it adds up to the same thing. We cannot keep on accepting additional responsibilities unless we are prepared to pay for them.

The Hon. E. M. Davies: This is going on to third-party insurance and into Consolidated Revenue.

The Hon. A. F. GRIFFITH: It is a new tax which is a surcharge on motor vehicle registration. It is a position in which we find ourselves. Victoria has imposed it, despite what has been said, and Western Australia has already suffered an adverse adjustment.

The Hon. F. R. H. Lavery: Victoria has better workers' compensation than this State but you will not agree to follow Victoria in that connection.

The PRESIDENT (The Hon. L. C. Diver): Order!

The Hon. A. F. GRIFFITH: Workers' compensation has nothing to do with it, any more than the point raised by Dr. Hislop that because some man was speeding he was fined what he thought was too much. The only reason the man was fined was because he was exceeding the speed limit. That argument could be applied to any other form of penalty. I will not waste time by pursuing those arguments.

The Hon. F. R. H. Lavery: I have a responsibility the same as you, you know.

The Hon. A. F. GRIFFITH: I realise that.

The Hon. F. R. H. Lavery: That is all right, then.

The PRESIDENT (The Hon. L. C. Diver): Order!

The Hon. A. F. GRIFFITH: I propose to say no more except to ask the House to vote in favour of this Bill in order that it might pass the second reading and subsequently allow the Government to impose the tax. The Government recognises its responsibility to members and to the people whom those members represent; and anyone who deprives the Government of the tax will, in fact, be depriving the Government of income which it needs to carry on the affairs of the State.

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

#### Ayes—13

Hon. C. R. Abbey	Hon. H. R. Robinson
Hon. A. F. Griffith	Hon. C. H. Simpson
Hon. J. G. Hislop	Hon. S. T. J. Thompson
Hon. L. A. Logan	Hon. J. M. Thomson
Hon. G. C. MacKinnon	Hon. F. D. Willmott
Hon. R. C. Mattiske	Hon. H. K. Watson
Hon. J. Murray	(Teller.)

#### Noes—13

Hon. E. M. Davies	Hon. R. H. C. Stubbs
Hon. J. J. Garrigan	Hon. J. D. Teahan
Hon. W. R. Hall	Hon. R. Thompson
Hon. E. M. Heenan	Hon. W. F. Willesee
Hon. R. F. Hutchison	Hon. F. J. S. Wise
Hon. A. R. Jones	Hon. N. E. Baxter
Hon. F. R. H. Lavery	(Teller.)

#### Pair

Aye	No
Hon. A. L. Loton	Hon. H. C. Strickland

The PRESIDENT (The Hon. L. C. Diver): The voting being equal, I give my vote with the Ayes in order that the Bill may have a second reading.



Question thus passed.

Bill read a second time.

*In Committee*

The Deputy Chairman of Committees (The Hon. E. M. Davies) in the Chair; The Hon. A. F. Griffith (Minister for Mines) in charge of the Bill.

Clauses 1 and 2 put and passed.

Clause 3: Surcharge imposed on insurance premiums—

The Hon. F. J. S. WISE: The Minister very conveniently in his reply decided to overlook any references made to the terrific impositions, taxes, license fees, and the like, to which motorists have been subjected in an increasing manner through the years. He rather seized, as his line of defence, upon the statement of the Under-Treasurer in regard to something that had occurred in another place rather than what had transpired in debate in this Chamber this evening.

On the first ground, the Minister is wrong in suggesting that the Grants Commission took the Victorian surcharge into account in making—to use his own words—an adverse adjustment against this State because of the imposition of that tax by Victoria. I say that is definitely an incorrect statement, and the Minister cannot produce as evidence any written word or statement from the Grants Commission to support what he said. He can produce fragmentary statements of alleged conversations between officers without any substance in fact to support the suggestion that this item was taken into account when the Grants Commission considered the non-income taxation of this State.

But the Grants Commission clearly stated that in considering the non-income taxation of this State it did not take into account the motor taxation revenue of Western Australia when making the adjustment.

The Hon. A. F. Griffith: What page, please?

The Hon. F. J. S. WISE: That is to be found on pages 74 and 75 of the 1962 report. I have gone to extraordinary lengths—which I am not going to submit in detail—to verify the fact that no documentary evidence can be produced that the Grants Commission has, in fact, in its report—nor can the Minister provide any written statement—taken into consideration the Victorian tax when making the adjustment; and I challenge the Minister to produce it. There is no doubt that the Grants Commission gave a favourable adjustment of £250,000 on all the items in the non-income taxation field; and all of the other matters combined left us with an unfavourable adjustment, in total, of £873,000, and not the penalty figure of £895,000 mentioned by the Minister just now.

The Hon. A. F. Griffith: Do you say the £250,000 was all related to motor vehicle fees?

The Hon. F. J. S. WISE: No. The Minister talks of red herrings; that is a stinking red herring, and he cannot catch me that way! The Minister had better cast his thoughts back to an analysis of the speeches made earlier this evening to see what he omitted in an analysis of what was said to suit his circumstances and his arguments.

Why, his own Premier said four years ago that the taxes of this State had reached breaking-point, and it was marvellous that the Leader of the Opposition at that time could conceive of so many ways of further taxing the people. What has happened since is almost monstrous.

The Hon. R. F. Hutchison: I'll say it is!

The Hon. F. J. S. WISE: There is no getting away from what is the fact, and that is that the collection of non-income taxation items which I have mentioned as a total gave us a favourable adjustment of a quarter of a million pounds; and there is no adjustment of the total of the grant made on this occasion of this £210,000—no unfavourable adjustment because of the Victorian surcharge on third party insurance.

The Hon. A. F. GRIFFITH: I am only going to say this: I do not mind Mr. Wise feeling a little hot under the collar, as he appears to me to be on this subject, but I would like to say that I regard the information given to me by the Under-Treasurer of this State to be completely reliable; and I will stake anything on that. Mr. Townsing is not the sort of man to give me information that would mislead this Chamber.

The other point is this: The matter of motor vehicles fees has got nothing whatever to do with this tax.

The Hon. F. J. S. Wise: What a pity!

The Hon. A. F. GRIFFITH: In no way can Mr. Wise relate the two, except to suggest that because, he says, the Grants Commission gave us a favourable adjustment, that is a reason not to impose this tax.

I understand the situation is plainly this: In 1959-60 the State raised its motor vehicle fees to provide a better amount for matching funds for the Commonwealth money, and the Grants Commission said, "Now that you have raised your license fees for 1959-60, we will not offer any penalty to Western Australia." But for the previous year Western Australia did, in fact, suffer a penalty. The State did not, however, suffer a penalty, as I understand the position, in 1959-60 when we raised our fees to cope with the situation about which we have had so much talk and which has relatively so little to do with this Bill.

The Hon. F. J. S. WISE: The Minister said that the Bill had nothing whatever to do with motor vehicle taxation, but the whole of the preamble to his speech was based on the fact that Victoria had introduced a third party insurance surcharge tax—

The Hon. A. F. Griffith: That is right.

The Hon. F. J. S. WISE: —and it was based upon wrong premises and a wrong statement that, because of an unfavourable adjustment made to this State, and because of Victoria being one of the standard States, we had to come into line. I repeat that is both fallacious in its anticipation of what the Grants Commission needs, and it is wrong in its interpretation of what it has done.

Knowing the limitations of this Chamber in regard to amendments to money Bills, and knowing that we have the alternative of defeating such Bills at the second or third reading, or of making a request amendment, I move a request amendment—

Page 2, line 19—Delete the words “one pound” and substitute the words “ten shillings”.

I move this amendment with the full realisation of the authority of this Committee, of the needs of the Government, and of the fact that no allowance has yet been made by the Grants Commission in this connection; and if a grant had been made it would not have been based on the £1 surcharge levied by the Victorian Government but on the mean of the two States of Victoria and New South Wales; and as New South Wales has not imposed a surcharge, that mean would have been 10s. That is the situation. Therefore under the appropriate Standing Orders I move my request amendment.

The Hon. A. F. GRIFFITH: The effect of the amendment, if agreed to, will be that the Government will receive half the anticipated amount it is budgeting for.

It is of no use my standing here carrying on a backfire argument about what I mean and what Mr. Wise means. I am quite clear on what the honourable member means on this occasion: his amendment will have the effect of halving the amount of anticipated tax.

The Hon. H. K. Watson: How much is that?

The Hon. A. F. GRIFFITH: It is £254,000 for a full year. The amendment will have the effect of halving the amount of this tax, and the Committee should agree to leave the Bill as it is.

I would like to acquaint the Committee of the fact that I am informed that the Grants Commission pointed out by letter to the Under-Treasurer that Victoria had made the tax permanent; and the Grants Commission asked the Under-Treasurers of this State and of Tasmania to express their views. There was a meeting in Canberra in February, 1962, with the Grants

Commission, where the question was discussed with the Under-Treasurers of both States. They agreed that the proper thing was for the Grants Commission to consider that the tax had been made permanent in Victoria; and, consequently, Western Australia was penalised for 1960-61, 1961-62, and so on; and the tax was agreed to on that basis.

When I heard the remarks being made I asked my colleague to ring the Under-Treasurer to see whether he could give us any documentary evidence. The letter cannot be brought here at the moment, but I do not doubt the word of the Under-Treasurer.

**Amendment put and a division called for.**

The DEPUTY CHAIRMAN (The Hon. E. M. Davies): Before the tellers tell, I give my vote with the Ayes.

**Division taken with the following result:—**

**Ayes—13**

Hon. N. E. Baxter	Hon. F. R. H. Lavery
Hon. E. M. Davies	Hon. R. H. C. Stubbs
Hon. J. J. Garrigan	Hon. R. Thompson
Hon. W. R. Hall	Hon. W. F. Willesee
Hon. E. M. Heenan	Hon. F. J. S. Wise
Hon. R. F. Hutchison	Hon. J. D. Teahan
Hon. A. R. Jones	(Teller.)

**Noes—13**

Hon. C. R. Abbey	Hon. C. H. Simpson
Hon. A. F. Griffith	Hon. S. T. J. Thompson
Hon. J. G. Hislop	Hon. J. M. Thomson
Hon. L. A. Logan	Hon. H. K. Watson
Hon. G. C. MacKinnon	Hon. F. D. Willmott
Hon. R. C. Mattiske	Hon. J. Murray
Hon. H. R. Robinson	(Teller.)

**Pair**

**Aye**

**No**

Hon. H. C. Strickland	Hon. A. L. Loton
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The DEPUTY CHAIRMAN (The Hon. E. M. Davies): The voting being equal, the question is resolved in the negative.

**Amendment thus negatived.**

**Clause put and passed.**

**Title put and passed.**

**Report**

**Bill reported, without amendment, and the report adopted.**

**Third Reading**

**THE HON. A. F. GRIFFITH** (Suburban—Minister for Mines) [10.33 p.m.]:—I move—

That the Bill be now read a third time.

**THE HON. F. R. H. LAVERY** (West) [10.34 p.m.]: When the Minister was speaking I interjected and said that I had a responsibility in this House. I remember asking questions last year, and the questions and answers will be found in *Hansard* on pages 2684 to 2686. The questions I asked were in regard to taxes imposed last year by the present Government. We found that there were 77 increased taxes that went through Parliament last year. So I was not so stupid after all.

**THE HON. A. F. GRIFFITH** (Suburban—Minister for Mines) [10.35 p.m.]: All I can say is that I agree with the honourable member. It is all very well for him to say what he has said, but if he would like to go back through the *Hansards* of past years he will find that the same sort of questions were asked when a Labor Government was in office; and I daresay that those questions and answers would also cover a great many pages.

Question put and passed.

Bill read a third time and passed.

## BUSH FIRES ACT AMENDMENT BILL

*Conference Managers' Report: Bill  
Laid Aside*

**THE HON. L. A. LOGAN** (Midland—Minister for Local Government) [10.36 p.m.]: I have to report that the managers met in conference on the Bush Fires Act Amendment Bill and failed to reach an agreement. I move—

That the report be adopted.

Question put and passed.

Bill dropped.

## PERTH SHIRE COUNCIL

*Naturalisation Ceremonies: Personal  
Explanation*

**THE HON. R. F. HUTCHISON** (Suburban) [10.37 p.m.]: I ask the permission of the House to make a personal explanation under Standing Order No. 383. I find there is considerable confusion over the statement made by Mr. Robinson. This confusion arises because part of my speech appears to have been misreported. I know *Hansard* has a very difficult time, and I admit that part of the fault is mine in not having corrected the statement. I was reported as having said—

I will show the honourable member that it is not nonsense. At the naturalisation ceremonies held by the Perth Shire Council the honourable member hands out a certificate of citizenship to each New Australian together with a card showing how to vote for the Perth Shire Council.

That was a mistake either in the printing, or in the reporting. I do not wish to labour the point unless the honourable member does. I was called away while I was checking the report of my speech and apparently I did not check this page. Had I done so I would certainly have corrected it; because, as the honourable member knows, I did not use those words. I am quite prepared to take my full share of the blame in this matter, because I know the tough job *Hansard* has. What I said was that at all naturalisation ceremonies

I have attended in the Suburban Province, both Federal enrolment cards and State Assembly enrolment cards were handed to grantees, but Legislative Council cards were never handed out. That is quite true.

The Hon. H. R. Robinson: It is not true.

The Hon. R. F. HUTCHISON: It is true.

The PRESIDENT (The Hon. L. C. Diver): Order!

The Hon. R. F. HUTCHISON: Mr. Robinson said I was not present at naturalisation ceremonies in 1960. I would draw the attention of the House to the fact that I was out of Western Australia for the latter part of that year, so I could not have attended those ceremonies then. However, I have attended naturalisation ceremonies for nearly nine years; and I know that in the Suburban Province, Legislation Council enrolment cards have never been handed out—not at any naturalisation ceremonies that I have attended. I have checked that and found it to be true.

I do not know about the last five months of which the honourable member speaks. Anyway, that is only five months out of the number of years that I have been attending these ceremonies. The statement I was alleged to have made was either an error in reporting, or a misprint; though I admit it was my fault for having overlooked it; but that is not the point I was arguing. Mr. Robinson stated it was an untrue statement. However, in its proper context my statement was not untrue. The Council enrolment card was not given out.

*Point of Order*

The Hon. H. R. ROBINSON: I rise on a point of order.

The PRESIDENT (The Hon. L. C. Diver): Order!

The Hon. F. R. H. LAVERY: You would not allow—

The PRESIDENT (The Hon. L. C. Diver): Will the honourable member please resume his seat?

The Hon. H. R. ROBINSON: Mrs. Hutchison has repeated the same accusations she made last Tuesday. I have made it perfectly clear to the House that I have not been conducting these ceremonies. I have made it clear—

The PRESIDENT (The Hon. L. C. Diver): What is the point of order?

The Hon. H. R. ROBINSON: The point of order is that Mrs. Hutchison states the Legislative Council enrolment cards are not being handed out by the shire council. That is not correct, and Mrs. Hutchison knows it.

The PRESIDENT (The Hon. L. C. Diver): Order! That does not constitute a point of order.

# **MOTOR VEHICLE (THIRD PARTY INSURANCE) ACT AMENDMENT BILL**

## *Second Reading*

Debate resumed, from the 1st November, on the following motion by The Hon. A. F. Griffith (Minister for Mines):—

That the Bill be now read a second time.

**THE HON. F. J. S. WISE** (North—Leader of the Opposition) [10.47 p.m.]: This small Bill is to enable the added tax on motorists to be collected. It provides that at the time when all motorists must pay their third party insurance they shall hand to the collecting officer an extra £1, or 1s. 8d. for every complete month of an uncompleted calendar year, so that the Commissioner of Police may hand it to the collecting officer of the Third Party Insurance Fund to enable that officer in turn to hand it to the Under-Treasurer.

That is what this Bill does; and that is the only way the collection can be made since the subterfuge of collecting it as a part of the third party risk insurance is used as the means of collection of this direct tax on motorists. The Commissioner of Police becomes responsible for its collection when registration takes place, and it is channelled back to the Treasury.

There is no point in debating the Bill—I will not be supporting it—as that will be of no avail because argument does not necessarily win against numbers.

**The Hon. A. F. Griffith**: I have found that out, too!

**The Hon. F. J. S. WISE**: The Minister has found it out, but unfortunately numbers are too often on his side and arguments are of little avail at times. The situation, therefore, is that we have little opportunity to do other than pass this Bill as an enabling measure to permit the tax to be collected as quickly as possible to assist this Government to balance its Budget rather than spend any more money in any of the ways enumerated by the Minister. I do not support the Bill.

**Question put and passed.**

**Bill read a second time.**

*In Committee, etc.*

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

## *Third Reading*

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

# **LICENSING ACT AMENDMENT BILL (No. 3)**

*In Committee, etc.*

Resumed from the 1st November. The Deputy Chairman of Committees (The Hon. A. R. Jones) in the Chair; The Hon. A. F. Griffith (Minister for Justice) in charge of the Bill.

**Postponed clause 52: Section 185 amended—**

**The Hon. A. F. GRIFFITH**: The Committee will remember this was the clause upon which we could not make any progress because it was pointed out that it required reframing. When Mr. Watson spoke on the clause he dealt with the question of provisional members of golf clubs; and one or two other points were raised which led me to the point of view that it would be far better to recast the whole clause.

The amendment I shall move will provide for ordinary members, provisional members, associate members, country members, honorary members, extraordinary honorary members, junior members, and any other class of member that the club provides for in its rules and of which the Licensing Court approves. I think this should overcome all of the difficulties that were previously in existence, because it covers the whole field of the different types of members that there are in connection with clubs, and even goes so far as to deal with one class which is allowed to be dealt with under the rules of a club, provided the Licensing Court approves. I move an amendment—

Page 21, lines 19 to 23—Delete all words after the word "section" down to and including the word "club" and substitute the following words:—

when any person referred to in this subsection is visiting a club at the express invitation of that club, that person while so visiting shall be deemed an honorary member of the club for the purposes of this Act.

**The Hon. H. K. WATSON**: Upon a quick reading of the amendment moved by the Minister it appears to cover the various points raised when this clause was last in Committee. I notice provision is made for provisional members and they are defined. Associate members have a new definition and there is a saving clause which provides for members of any other class provided for in the rules of the club and of which the Licensing Court approves. That should cover any class of membership which has not occurred to this Committee.

**The Hon. A. L. Loton**: Are we dealing with clause 52?

**The DEPUTY CHAIRMAN** (The Hon. A. R. Jones): We have firstly to deal with clause 52, and then we have to recommit the Bill to deal with clause 51.

The Hon. A. L. LOTON: I think Mr. Watson was dealing with clause 51.

The Hon. A. F. GRIFFITH: It was my fault. I was explaining what I had done in connection with clause 52 concerning membership. I should have referred to clause 51, which makes the first adjustments; and those adjustments fit in with the subsequent adjustments to clause 52. We have firstly to deal with clause 52, and we must then recommit the Bill to insert the amendments into clause 51.

**Amendment put and passed.**

The Hon. A. F. GRIFFITH: I move an amendment—

Page 21, line 41—Delete the words “, or his deputy.”

**Amendment put and passed.**

The Hon. A. F. GRIFFITH: I move an amendment—

Page 22, lines 1 to 15—delete paragraph (g) and substitute the following:—

- (g) any member of either House of Parliament of the Commonwealth or of the State and any member of his staff accompanying him;
- (h) the mayor or president and any member of a local authority in the municipal district of which the premises of the club are situated and any member of the staff of that local authority when accompanying him;
- (i) the Chairman and any member of the Licensing Court;
- (j) a person who is the deputy of any person referred to in the preceding paragraphs of this subsection;
- (k) a person who at the express invitation of the club accompanies any person referred to in the preceding paragraphs of this subsection.

The Hon. S. T. J. THOMPSON: The amendment appears pretty broad to me. It seems it will allow the whole of the members of a shire council and their staff to attend a function.

The Hon. A. F. GRIFFITH: I have had to satisfy the needs of everybody in connection with this particular piece of legislation. We have to put a good deal of trust in the clubs themselves. If the Governor attends a yacht club for the purpose of presenting prizes he will find himself covered by the Act; but without this provision the Governor's aide-de-camp may not be covered. The same would apply to a mayor. He may take his staff to a function, and his staff would not be covered by the Act. I do not think that a mayor

of a municipality will take advantage of this and that he will go along to a function with a lot of his staff.

The Hon. F. R. H. LAVERY: Unless it is Christmas Eve.

The Hon. A. F. GRIFFITH: If it is Christmas Eve and his staff have been invited, that is a different matter. We wish to provide machinery for people who are authorised to attend a function. There has to be a certain amount of trust with the clubs and with those people who are going to have this advantage.

The Hon. A. L. LOTON: I think this is far broader than the Minister has pointed out. He has dealt only with a mayor, or a president of a shire council. The amendment refers to any member of a local authority, and any member of a local authority could take the whole of the staff of the local authority to a function. We are giving a member of a local authority almost unbounded power in regard to the number of persons he can take to a function.

The Hon. F. R. H. LAVERY: I was not being facetious when I referred to Christmas Eve. I agree with the Minister that mayors, and presidents of a shire council have a certain responsibility, and they may have to attend a club function. While Mr. Syd Thompson may have fears on this particular point I am prepared to support the amendment.

The Hon. A. F. GRIFFITH: Although I agree with Mr. Loton that the amendment is fairly wide, I do not think it is of very great significance. If we find that this privilege is being abused, it can be rectified.

The Hon. R. C. MATTISKE: I think the position is amply covered in the first portion of the clause. It says that certain people can enter a club at the express invitation of that club. That does not necessarily mean that any member of a local authority or any other person could, if he so desired, go along. He can only attend at the express invitation of the club. There is that limiting factor.

**Amendment put and passed.**

The Hon. A. F. GRIFFITH: I move an amendment—

Page 22, line 16—Delete paragraph (h).

**Amendment put and passed.**

**Clause, as amended, put and passed.**

**Postponed clause 57: Section 194A added—**

The Hon. A. F. GRIFFITH: I do not desire to proceed with this clause as certain objection has been taken to it. It means that a member of the Licensing Court could, of his own volition, object even where an application for a license is unopposed. I ask that the clause be deleted.

Clause put and negatived.

Postponed clause 60: Section 204 amended—

The Hon. A. F. GRIFFITH: I am a little concerned that some of the members who questioned this clause are not in the Chamber at the moment. There were one or two points raised during the second reading debate. A question was raised on section 204 (3) of the principal Act in respect of a society holding a function. A society means any society, order, or other organisation. The question concerned the consumption of liquor.

This clause provides that liquor must be consumed in the same building. The amendment in this clause deals with the sale of kegs by clubs and it has no relation to section 204 (3) of the principal Act. It was not intended that clubs should sell alcohol in kegs. It was intended that the members of a club on licensed premises should obtain their requirements of liquor while they were on the premises. We have tried to secure some balance between clubs and hotels, and the selling of kegs should apply to a hotel licensee or a gallon licensee.

A gallon licensee approached the Government for permission to sell wine or spirits by the bottle. The Government did not accept that representation, and determined that it should do nothing about it. I do not think that clubs should sell beer in kegs.

I tried to frame this clause so that the selling of beer in kegs should apply only to clubs situated where there was no townsite. It has been pointed out to me that anomalies could exist, because a club could be situated a few hundred yards outside a townsite. A club may be just outside a townsite and because of that fact it would be able to sell kegs. I am sorry that I have not placed this amendment on the notice paper. The last word in line 12 on page 25 is "district", and I want to delete all words in lines 13, 14 and 15 and substitute the following:—

and is more than five miles from the nearest premises the subject of a publican's general license, a wayside-house license, or a gallon license.

The Hon. N. E. Baxter: As the crow flies?

The Hon. A. F. GRIFFITH: We are not dealing with the Electoral Act. I am sure there is something in the Licensing Act regarding distances; and the distance in respect of the particular section that the honourable member succeeded in having amended will have the same interpretation as in this case. I move an amendment—

Page 25, lines 13 to 15—Delete all words from and including the word

"within" down to and including the word "license", and substitute the following words:—

and is more than five miles from the nearest premises the subject of a publican's general license, a wayside-house license, or a gallon license.

I think that is a reasonable proposition, and if a club is five miles or more away it should be able to provide a service.

The Hon. R. THOMPSON: This raises a doubt in my mind. What would be the position if a person purchased a keg of beer from a gallon licensee and wanted to take delivery of the beer on a Sunday when the shop was closed? If he put the keg in a club's freezer would the club be liable for supplying liquor?

The Hon. A. F. Griffith: Could he get a keg of beer from a club on a Sunday?

The Hon. R. THOMPSON: The club is not selling the beer; it is simply storing it for the person who purchased it. Would the club be liable for supplying liquor on a Sunday?

The Hon. A. F. Griffith: I think it would be.

The Hon. N. E. BAXTER: I think five miles might be a little too far, and I instance the case of the Wundowie club, and the wayside-house license at Baker's Hill. I do not think it was the Minister's intention to deprive people in a townsite like Wundowie of the opportunity to buy kegs at the club without having to go to Baker's Hill; because the direct distance between the two places would, I think, be under five miles. I think three miles would be suitable and would cover any cases the Minister might have in mind.

The Hon. G. C. MacKINNON: I do not think three miles would be far enough, and I instance the case of golf clubs. The golf clubs at Harvey and Bunbury would be more than three miles from the town, and if we agreed to a distance of three miles it would be unreasonable that the Bunbury golf club, as an example, should be able to sell kegs, whereas no other club in the town could do it. The same would apply to the Bridgetown golf club. It is certainly more than three miles from the town. Perhaps we could try this provision for a year and see how it works out.

We do not want to stop the people at places like Wundowie and Cowaramup, which have only a club in the town, from being able to purchase their supplies from that source, but there are many golf clubs which are more than three miles from a town, and probably a distance of five miles would be the best in those cases.

The Hon. A. F. GRIFFITH: I have no desire to make it difficult for any town, but I picked five miles as being a reasonable

distance. Can Mr. Baxter tell me that the town of Wundowie is in fact less than five miles from Baker's Hill?

The Hon. N. E. Baxter: Not without checking up on it.

The Hon. A. F. GRIFFITH: Then let us leave it at five miles. The Bill cannot be read a third time tonight, and if the honourable member can let me know before the third reading just what the distance is, I will have another look at it if it conflicts.

The Hon. N. E. Baxter: Thank you.

**Amendment put and passed.**

**Clause, as amended, put and passed.**

**New clause 2—**

The Hon. A. F. GRIFFITH: I move—

Page 1—Insert after clause 1, in lines 7 to 12, the following new clause to stand as clause 2:—

2. This Act shall come into operation on a day to be fixed by proclamation.

The Hon. J. G. HISLOP: Might this be an appropriate time to ask the Minister whether on the third reading he will provide reasons which he spoke of why it is difficult for this State to have the alcoholic content of its liquor brought to the same percentage as that in the Eastern States?

**New clause put and passed.**

**Title put and passed.**

**Bill reported with amendments.**

*Recommittal*

**THE HON. A. F. GRIFFITH** (Suburban—Minister for Justice) [11.28 p.m.]: I move—

That the Bill be recommitted for the further consideration of clauses 11, 40, and 51.

The Hon. H. K. WATSON: And clause 52.

**Question put and passed.**

*In Committee, etc.*

The Deputy Chairman of Committees (The Hon. A. R. Jones) in the Chair; The Hon. A. F. Griffith (Minister for Justice) in charge of the Bill.

**Clause 11: Section 36 repealed and re-enacted—**

The Hon. A. F. GRIFFITH: If my memory serves me correctly Mr. MacKinnon raised the point of when a railway refreshment room should be open. He was possibly thinking of late arrivals travelling on a railway bus. I stand corrected, my memory does not serve me correctly, because it was Mr. Loton who raised this point. At the time I think I replied that the conditions which apply to trains would also apply to railway buses. I have re-committed the clause to make this explanation.

The situation is that paragraph (b) of subsection (1) of proposed new section 36, appearing on page 7, entitles a railway refreshment room to remain open at any time between 10 a.m. and 10 p.m., or 10 p.m. and 10 a.m. the following day to serve liquor and then, of course, only for one hour before or after the arrival or departure of a train or bus.

That is meant to apply to the actual arrival time only. Of course, there must be circumstances to which all members could point where it can be shown that the vehicle is expected to arrive at one time and then, having had the bar open for half an hour, a message is received that the bus or train is running late. Contingencies such as that cannot be avoided.

The Hon. G. C. MacKinnon: They do not run late that often. Incidentally, your memory was better than mine. I did raise this question.

The Hon. A. F. GRIFFITH: I thought the honourable member did. Anyway, that is the position. There must be some elasticity in dealing with this question.

**Clause put and passed.**

**Clause 40: Section 134B added—**

The Hon. A. F. GRIFFITH: I am going to ask the Committee to vote against this clause on which Dr. Hislop spoke the other evening. The provision is already covered by the railway by-laws which can be amended and if the provision were inserted in the Act an amending Bill would have to be brought down to amend the Act. So in keeping with Dr. Hislop's remarks it would be better to leave the provision in the by-laws.

**Clause put and negatived.**

**Clause 51: Section 184 amended—**

This is the clause which I have had re-drafted to provide better application in dealing with the whole question of members of clubs generally. Information on this clause has already been given to the Committee and there is no reason for me to say anything further. Therefore, I move an amendment—

Page 19, line 31—Insert after subparagraph (i) the following new subparagraph to stand as subparagraph (ii)—

(ii) provisional members;

**Amendment put and passed.**

The clause was further amended, on motions by The Hon. A. F. Griffith, as follows:—

Page 19, line 36—Delete the word "or".

Page 19, line 39—Add after the passage "purpose;" the following passage:—

or

(vii) any other class of member that the club provides for in its rules and of which the Licensing Court approves;

Page 20, lines 27 to 30—Delete the interpretation “associate member” and substitute the following:—

“associate member” means a female member who is entitled to exercise without restriction all the privileges of the club that under its rules female members may exercise;

Page 21, line 2—Add after the interpretation “honorary member” the following interpretations:—

“ordinary member” means a member (not being an honorary or a temporary member) who is entitled to exercise without restriction the full privileges of the club;

“provisional member” means a member, whether male or female, who is entitled to exercise, subject to any restrictions that the rules of the club may provide, the full privileges of the club, and is elected as such a member;

Clause, as amended, put and passed.

Clause 52: Section 185 amended—

The Hon. H. K. WATSON: I would be obliged if the Minister would have a look at the concluding words of this clause. That is, the words appearing on page 22, starting from line 23 and continuing to the end of the clause. That is a new provision and my query is whether it will preclude, or possibly cut across, the practice which is common in some clubs whereby the rules of the club provide that certain persons such as the chiefs of the armed forces or Commonwealth Ministers are automatically and permanently made honorary members of the club without any further action having to be taken. It has occurred to me that the addition of these words in the section may prevent this practice—which I understand is rather general at the moment—being followed in the future.

The Hon. A. F. GRIFFITH: It may. The best suggestion I can make is that I investigate this point before the Bill passes the third reading, and, if necessary, make any alterations. I point out that the same words were in the original Bill.

The Hon. H. K. Watson: Yes, I am aware of that.

The Hon. A. F. GRIFFITH: If the honourable member is satisfied I will have a look at the point he has made before the third reading stage is completed.

Clause put and passed.

Bill again reported, with further amendments.

House adjourned at 11.41 p.m.

# Legislative Assembly

Tuesday, the 6th November, 1962

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