

Legislative Assembly

Tuesday, 4th December, 1956.

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The SPEAKER took the Chair at 4.30 p.m., and read prayers.

ASSENT TO BILL.

Message from the Governor received and read notifying assent to the Unfair Trading and Profit Control Bill.

BILL—TOWN PLANNING AND DEVELOPMENT ACT AMENDMENT.

Leave to introduce.

The MINISTER FOR WORKS (Hon. J. T. Tonkin—Melville): I move, without notice—

That leave be given to introduce a Bill for an Act to amend the Town Planning and Development Act.

Question put and passed; leave given.

Bill introduced and read a first time.

BILL—ROYAL COMMISSIONERS' POWERS ACT AMENDMENT.

Leave to introduce.

Hon. A. F. WATTS (Stirling): I move, without notice—

That leave be given to introduce a Bill for an Act to amend the Royal Commissioners' Powers Act.

Question put and passed; leave given.

Bill introduced and read a first time.

Second Reading.

HON. A. F. WATTS (Stirling) [4.35] in moving the second reading said: I wish first to say how greatly I appreciate the permission given to me by the Minister for Justice to discuss this matter with the Solicitor General, and for the services rendered by the Solicitor General in drafting this short measure.

The Bill provides that for the purposes of the Royal Commissioners' Powers Act, where the members of a select committee of either House of Parliament are appointed as the members of a Royal Commission, a majority of the members shall form a quorum at any meeting or sitting of the commission, and any decision of a majority of members shall be the decision of the commission.

As it is quite possible that one of the select committees now sitting will later be appointed an honorary Royal Commission, in order to finish its inquiry, and as the Crown Law Department has advised previously, and has confirmed that advice—at the discussion I had with the Solicitor General, with the approval of the Minister—that, in the event of all the members of the commission not being able to be present at a sitting, no witness can be compelled to attend or give evidence, it is quite obvious that when a commission consists of members of a former select committee who are all members of Parliament, such a state of affairs might be reached where the commission could not proceed with its inquiry owing to the absence, either for a short time or—perhaps due to ill health—for a considerable time, of one of the members of the commission.

In these circumstances, it was considered desirable to have some amendment to the Royal Commissioners' Powers

Act prepared in order that that state of affairs could not arise. The Bill is to serve that purpose.

I have a letter from the Solicitor General in which he indicates quite clearly that the reasons for the Bill do not extend to the commission's report, but only to the hearing of evidence and the making of its inquiries, and any decisions that may arise thereout—such, for example, as to what witnesses shall be taken; what questions shall be asked or what procedure shall be followed. The Solicitor General says—

The proposed new section is expressed to be "for the purposes of this Act," and since the report of the commission is not mentioned in the Act, a decision of the majority would not bind the commission in the matter of its report.

The usual procedure, which is followed in other Royal Commissions, would be followed in the making of the report in that where there are one or more members in the minority, they could present a minority report.

I would like to conclude by saying that, with a select committee, three members are sufficient for deliberations and two to take evidence. As a Royal Commission, the position is—experience was had of this earlier in the year in connection with the petrol commission—that unless all the members of the commission are present, the commission cannot effectively function. The Bill is to overcome this difficulty. I move—

That the Bill be now read a second time.

THE MINISTER FOR JUSTICE (Hon. E. Nulsen—Eyre) [4.40]: I have had time to look at the Bill, which has been so clearly explained by the Leader of the Country Party, and there is no need for me to say anything further in connection with it. The Government is quite agreeable to the measure.

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.

Bill read a third time and transmitted to the Council.

QUESTIONS.

RAILWAYS.

(a) *Collie Coal Consumption, 1951 to 1956.*

Mr. O'BRIEN asked the Minister representing the Minister for Railways:

How much Collie coal was used by the Western Australian Government Railways for the following years:—1951, 1952, 1953, 1954, 1955, 1956 to the 30th June?

The MINISTER FOR TRANSPORT replied:

Collie coal used for all purposes—

Year ended the 30th June	tons
1951	367,935
1952	358,049
1953	281,996 (metal trades strike)
1954	381,875
1955	353,262
1956	303,711

(b) *Diesels and Idle Steam Engines, Value, etc.*

Mr. O'BRIEN asked the Minister representing the Minister for Railways:

(1) How many steam engines are out of commission due to the introduction of diesels?

(2) What was the cost of the diesels purchased?

(3) What is the estimated value of the steam engines now idle?

(4) What is the class of each engine?

The MINISTER FOR TRANSPORT replied:

(1) The advent of dieselisation has enabled 57 steam locomotives to be released. Of these, 40 have since been written off and 14 are waiting to be written off. Three serviceable oil-burning locomotives remain.

(2) "X" class—£72,400 approximately.
Final cost not yet determined.

"XA" class—£74,400 approximately.
Final cost not yet determined.

"Y" class—£33,907.

"Z" class—£16,023.

(3) The three serviceable locomotives are valued at approximately £10,400 each.

(4) The locomotives referred to in No. (2) above are—

Class.	Number.
"ASG"	11
"B"	3
"CS"	6
"DS"	1
"ES"	6
"G"	1
"L"	11
"O"	9
"N"	6
"U"	3
Total	57

Of the total, the "U" class are 10 years old, the "ASG" about the same, while the rest range between 40 and 58 years of age.

(c) Freight Revenue.

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

(1) What was the total revenue received in respect of—

(a) inward freights;

(b) outward freights;

by the Railway Department in respect of goods carried to and from sidings along sections—

(a) Lake Grace-Hyden;

(b) Katanning-Pingrup;

(c) Brookton-Corrigin,

In each of the four years ended the 30th June, 1953, 1954, 1955 and 1956?

(2) What amounts of (a) and (b) above were credited to each of the sections (a), (b) and (c) above in each of the four years mentioned?

The MINISTER FOR TRANSPORT replied:

(1) As this information is not readily available and a very large number of man hours would be required to be worked to obtain it, the information is not being furnished.

However, if the hon. member wishes to press the question, the information sought will be supplied in due course.

(2) Year ended the 30th June.	(a) £	(b) £	(c) £
1953	5,849	10,399	5,722
1954	9,919	12,622	4,971
1955	10,883	12,805	7,969
1956	14,477	16,812	9,571

EDUCATION.*(a) Manual and Domestic Science Training, Boyup Brook.*

Mr. HEARMAN asked the Minister for Education:

(1) Further to my question of Thursday, the 29th November, 1956, is he aware that the headmaster of the Boyup Brook junior high school is of the opinion that he could make classroom facilities available for the teaching of manual training and domestic science at Boyup Brook, but that specialist equipment and instructors are not available?

(2) What comments has he to offer so far as this opinion of the headmaster is concerned?

The MINISTER replied:

(1) There is, at the old school at Boyup Brook, one room which is not being used. This would be quite inadequate for either home science or manual training and unsuitable as a composite home science-manual training room.

(2) The headmaster agrees with the above statement.

(b) New School, Rottnest.

Hon. J. B. SLEEMAN asked the Minister for Education:

How long is it likely to be before the long-promised new school at Rottnest is erected?

The MINISTER replied:

It is not possible to state when the new school at Rottnest will be erected. This work has to be considered in conjunction with the overall needs of the State, bearing in mind the amount of finance available.

MIDLAND TRAIN ROBBERY.*Persons Convicted and Remission of Sentences.*

Mr. COURT asked the Minister for Justice:

(1) How many persons were convicted in respect of the Midland railway train robbery about 1953?

(2) What sentences were imposed?

(3) What remission of sentences, if any, has been granted?

(4) Were these remissions in excess of the normal entitlements, and if so, to what extent?

The MINISTER replied:

(1) Three.

(2) Prisoner A—6 years.
Prisoner B—6 years.
Prisoner C—2½ years.

(3) Remission for—

(i) Good conduct (prison regulations)—

Prisoner A—534 days.
Prisoner B—542 days.
Prisoner C—220 days.

(ii) Remission to mark the Royal Visit (general)—

Prisoner A—313 days.
Prisoner B—313 days.

(iii) Remission to mark the centenary of the Fremantle prison (general)—

Prisoner A—182 days.
Prisoner B—182 days.
Prisoner C—76 days.

(iv) Remission granted by Governor—

Prisoner A—51 days (equivalent to the period held in custody prior to trial and while awaiting appeal to be heard).

Prisoner B—23 days (equivalent to the period held in custody while awaiting appeal to be heard).

(4) Answered by No. (3).

Prisoner A was released on parole from the 14th November, 1955, to the 15th July, 1956.

Prisoner B was discharged on the 23rd July, 1956, having received seven days special remission from the Comptroller General of Prisons and one day to meet transport arrangements from Pardelup.

Prisoner C was released on parole from the 20th December, 1955, to the 28th April, 1956.

PASTORAL INDUSTRY.

Technical and Financial Assistance.

Mr. COURT asked the Minister for Agriculture:

Further to the questions I asked on the 28th November regarding assistance available to the pastoral industry—

- (1) Will he please amplify the type of equipment available to pastoralists for water development, irrigation and conservation, and the conditions under which such equipment is made available?
- (2) Is any expansion of this service envisaged?

The MINISTER replied:

(1) Wherever possible Government departments, if so requested, make available at cost to pastoralists, boring equipment and civil engineering mechanical equipment which happens to be working in the locality on governmental projects.

(2) This will depend on the demand, but existing co-operation will continue.

DRAINAGE.

Suburban Expenditure.

Mr. TOMS asked the Minister for Water Supplies:

What is the amount of the proposed expenditure on drainage works at—

- (a) Bentley-Welshpool;
- (b) Bayswater;
- (c) Victoria Park-Carlisle?

The MINISTER replied:

- (a) £104,000.
- (b) £8,000.
- (c) £83,000.

SEWERAGE.

(a) Loan Expenditure.

Mr. TOMS asked the Minister for Water Supplies:

(1) What was the loan expenditure on sewerage works in the Midland Junction municipal district during the year 1955-56?

(2) What is the estimate for this year?

(3) When the sewerage works at West Midland are completed, will this complete the major works in the Midland district?

(4) What was the total expenditure on sewerage works in this district as at the 30th June, 1956?

(5) What amount of loan funds was spent on sewerage works at Floreat Park during the financial year 1955-56?

(6) What is the estimated expenditure this year?

(7) What is the estimated expenditure on sewerage works at Bentley Park this year?

The MINISTER replied:

- (1) £36,786.
- (2) £19,000.
- (3) Yes.
- (4) £372,493.
- (5) £38,071.
- (6) £26,000.
- (7) £28,000.

(b) Deferred Payment Scheme, North Fremantle.

Hon. J. B. SLEEMAN asked the Minister for Works:

(1) Is he aware that a number of citizens of North Fremantle some time ago paid in various amounts under the deferred payment scheme, with the object of having their homes connected to the sewerage system?

(2) Will he see that these connections are made in the near future?

The MINISTER replied:

(1) Yes. Amounts of £3 are held by the department for each of 25 properties to cover initial expenses in respect of deferred payment applications, whilst additional deposits totalling £120 have been received for two of these properties. This latter amount represents the excesses of the advances the department would have been prepared to grant.

Funds are not available for house connections in the current financial year, and the owners of the two properties mentioned were given the opportunity of having their deposits refunded pending funds being made available.

(2) The connections will be made as early as practicable when sufficient funds become available.

GOVERNMENT PENSIONERS.

(a) Nicholas Report.

Hon. Sir ROSS McLARTY asked the Premier:

Will he give an assurance that he will present to Parliament the report of Mr. W. R. Nicholas on pension matters relating to ex-employees of the Government, together with the Government's proposals in that regard, so that full consideration can be given them before the present session ends?

The MINISTER FOR WORKS (for the Premier) replied:

Yes.

(b) Automatic Adjustment of Rates.

Hon. Sir ROSS McLARTY asked the Premier:

Referring to his remarks appearing at page 613 of Hansard, dated the 13th November, 1951, on legislation dealing with pensions of ex-employees of the Government, where he stated: "It would be much more satisfactory to the pensioners concerned, at least in a time of rising prices, if provision were made for automatic adjustment of pension rates scientifically based on alterations in the cost of living," will he inform the House whether it is the intention of the Government to introduce legislation this session for this to be done?

The MINISTER FOR WORKS (for the Premier) replied:

It is not the intention of the Government to introduce legislation along the lines suggested during the present session.

TOWN PLANNING.*Introduction of Legislation.*

Mr. COURT asked the Minister representing the Minister for Town Planning:

(1) Is it the Government's intention to introduce town-planning legislation this session?

(2) If so, will it be in the nature of interim legislation or a major amendment of town-planning legislation?

The MINISTER FOR WORKS replied:

(1) Yes.

(2) It will be partly interim legislation but is mainly designed to clarify provisions in the existing legislation.

AGRICULTURE.*Drought Assistance.*

Mr. ROSS HUTCHINSON asked the Minister for Agriculture:

With regard to his answer to part (b) of my question on the notice paper of the 30th November in the matter of drought assistance to farmers and pastoralists at present serviced by rail, but who may lose those services, will he have early consideration given to this situation?

The MINISTER replied:

If and when pastoralists and farmers within a "drought" area lose their rail services, the matter will receive consideration.

GARDEN LAND, NORTH FREMANTLE.*Notice to Quit.*

Hon. J. B. SLEEMAN asked the Minister for Works:

(1) Is he aware that the tenant of the garden land adjacent to the traffic bridge, North Fremantle, has been asked to vacate the land although he has offered to pay for the installation of a septic tank?

(2) Will he see that notice-to-quit is withdrawn and the tenant allowed to produce vegetables until such time as the land is required?

(3) If not, why not?

The MINISTER replied:

(1) The tenant has not been asked to vacate the garden land, but only the dwelling thereon, which consists of two stone rooms with no proper bath or laundry facilities. The installation of a septic tank system is therefore considered unwarranted in any circumstances.

(2) No notice to quit has been issued yet and the tenant will be permitted to produce vegetables on the block until the land is required for Government purposes. I understand he is endeavouring to secure alternative living accommodation in the neighbourhood, and has expressed a desire to use the old stone building, leased from the department, for the purpose of storing his produce.

(3) Answered by Nos. (1) and (2).

STATE BRICK WORKS.*Closure of Portion, Armadale.*

Mr. WILD asked the Minister for Police:

(1) What decision has been arrived at in connection with the closure of a certain portion of the brickworks at Armadale?

(2) Has any decision been made in regard to a cessation of operations at Byford?

(3) How many men are to be displaced by the suggested closure?

(4) When are their services to be terminated?

The MINISTER FOR WORKS (for the Minister for Police) replied:

(1) There is no immediate intention to close any section of the brickworks at Armadale or further restrict production beyond that already applying in the wire-cut section.

(2) One Hoffman kiln and the down-draught kiln at Byford will not reopen in the new year, leaving one Hoffman kiln in operation.

(3) 35 to 40 men drawn from Byford and Armadale.

(4) Services will be terminated on the 21st December, with notice given to employees affected on the 7th December.

PROFITTEERING AND UNFAIR TRADING PREVENTION.*Assistance in Establishing Office.*

Mr. ROSS HUTCHINSON asked the Premier:

(1) Is the report in the "Daily News" of Friday, the 30th November, 1956 correct, that the Government is almost certain to

ask Queensland or South Australia for help in the establishment of a profiteering and unfair trading prevention office?

(2) If so—

(a) does this mean that a suitable man for commissioner is not available in Western Australia;

(b) does this mean that the Government is seeking assistance from South Australia and/or Queensland because those States have price control?

(3) If the answer to No. (2) (b) is substantially in the affirmative, is this not inconsistent with the Government's submissions to the House that the unfair trading and profit control Bill was not a price control measure?

THE MINISTER FOR WORKS (for the Premier) replied:

(1) Yes.

(2) (a) The statement referred to in No. (1) indicated that an experienced officer would be sought from Queensland or South Australia for the purpose of consulting with the commissioner to be appointed to administer the local Act.

(b) Yes, obviously.

(3) No, obviously not.

DISCONTINUANCE OF RAILWAYS MOTION.

Concurrence of Legislative Council.

Hon. Sir ROSS McLARTY (without notice) asked the Minister for Works:

Is it proposed to send the motion dealing with the discontinuance of certain railway lines—Item No. 13 on the notice paper—to the Legislative Council for its concurrence therein?

The MINISTER replied:

The intention of the Government is to get the concurrence of both Houses of Parliament to the proposal.

LEAVE OF ABSENCE.

On motion by Mr. May, leave of absence for two weeks granted to Mr. Andrew (Victoria Park) on the ground of urgent private business.

BILL—BUILDERS' REGISTRATION ACT AMENDMENT.

Second Reading.

THE MINISTER FOR WORKS (Hon. J. T. Tonkin—Melville) [4.43] in moving the second reading said: The Builders' Registration Act, 1939-53, provides for the registration of builders who undertake work exceeding in value £800. The object of registering these builders is to ensure a close check on them and their work, to see that the responsibility for shoddy

or unsatisfactory work can be sheeted home, and that such work can be reduced to a minimum.

The board which carries out this supervisory work is one consisting of five members representing various sections of the building industry. It comprises a representative of the Royal Australian Institute of Architects; the Principal Architect, who is chairman of the board; a representative appointed by the Master Builders' Association; a representative of the workers engaged in the building industry, and a representative appointed by the Builders' Guild. The functions of this board generally are to determine the course of training, including practical experience, in the work of a builder, to maintain a register of approved builders; to investigate complaints, and generally to supervise the standard of work.

For this particular purpose it employs an executive officer and an inspector. The board obtains its revenue from registration fees which are paid by builders upon registration. Its outgoings consist mostly of salaries and modest fees to members of the board. The greatest power which the board has is to cancel the registration of a builder, and any builder who is dispossessed of his rights to continue has a right of appeal to the court.

In 1953, with the desire to stimulate the building industry, and to encourage small builders and competent tradesmen to undertake the construction of cottages, the Act was amended giving the Builders' Registration Board the power to register a new group of builders known as conditional builders. Members are familiar with the reason why this extended power was provided. There was a great shortage of housing accommodation, and there was a shortage of registered builders. In order to step up considerably the house building rate, it was felt necessary and desirable to permit a number of conditional builders to go into the trade. For that purpose the Act was amended in 1953 to make provision for the registration of all conditional builders. This amendment provided for almost the automatic registration of anybody who applied to undertake the work.

I must remind members at the outset that the Act applies only to the metropolitan area, and that the conditions outside the metropolitan area were not regulated or controlled in any way by this Act or the amendment to it. As expected, the amendment permitting the registration of conditional builders encouraged some hundreds of people to go into the trade, with the result that in June, 1954, there were 611 registered conditional builders, and all these made some contribution—some great, some small—to dealing with the housing shortage.

Opening the door in this way did, however, encourage the influx of a large number of persons who registered conditionally

for the sole purpose of building one house, and with a view to obtaining discount on building materials—because once registered as a builder, even though a conditional builder, they had the privilege of getting discounts from the various firms that supplied building materials. That was quite a consideration in building, and induced many people who otherwise would not have bothered to apply for registration.

Accordingly, there were pastrycooks, clerks and even a few women who obtained registration as conditional builders. Many of these people are not now operating but they all played an important part in overcoming the extreme shortage of houses at the time.

Hon. J. B. Sleeman: Did the women carry out the job?

The MINISTER FOR WORKS: No. What they did was to engage a tradesman to work for them. They did the contracting and obtained materials—and some of them very competently, too—but male tradesmen did the actual work of brick-laying and so on. The position now has changed somewhat, so it is necessary to have it overhauled and regulated rather differently. There are at present 708 registered builders and 1,329 conditionally registered builders whose licences are covered. Considerable improvement has been made with the housing position, so there is not the same need as in 1953 to encourage all these extra people to engage in the industry. Since the alteration in 1953, approaches have been made to the Government by a number of organisations to have the Act amended for the purpose of restricting the registration of conditionally-registered builders, and these representations have been strengthened and increased particularly over the past 12 months.

Many of the conditionally-registered builders are not now operating, having obtained their registration for the sole purpose of building one house in which they desired to live themselves. Having had the advantage of the discounts, they have no desire to build any further houses, but they retain their registration as conditional builders. Some of these people who obtained registration have now returned to their own particular trades, and that has created a somewhat difficult position in connection with apprentices.

This falling off of work in respect of these conditionally-registered builders has created some problems in other directions, which this amending Bill is designed to correct. Where apprentices were put on by small firms, which have now gone out of business, obviously trouble has arisen, and it is in an endeavour to prevent a repetition of that and to correct the position, that we are amending the legislation. That is one of the reasons for its introduction.

There have been conferences in connection with these problems between the various responsible bodies—the Builders' Registration Board, the Master Builders' Association, the Builders' Guild and the building trades executive of the Australian Labour Party. From time to time each one of these associations has made representations to the Government for some alteration to the legislation. The consensus of opinion was that there was need for a revision and that the position could best be met by substituting a new system in place of having registered builders and conditionally-registered builders.

The suggestion is that there shall be two classes of builders—"A" class builders and "B" class builders—with adequate protection for those already conditionally registered, while at the same time making it possible for a competent tradesman to operate in a small way as a builder. So it can be claimed, I think, quite properly, that this legislation is supported in principle by all those associations which I have previously mentioned.

Dealing with these two classes of builders which it is proposed to create to take the place of the fully registered builder and the conditionally registered builder, I mention that the registration as an "A" class builder will be obtained by passing two parts of an examination which it is proposed to hold from time to time and by the applicant for full registration having had at least seven years' experience in the building industry. Registration as a "B" class builder may be obtained by passing the "B" section of the examination and by the applicant having had at least five years' experience in the building industry. The "B" examination will be a comparatively simple one and will be a forerunner to the examination qualifying his admission as an "A" class builder.

This is done to allow those who wish to extend their activities in the industry to a wider field of building. Those persons who are at present registered as conditional builders will become "B" class and retain their registration provided they carry out work to the value of not less than £5,000 each year from the commencement of the amended Act, so it is not intended to take away from those who are already registered as conditionally-registered builders their right to operate, provided they are still active in the trade and using their registration. If in any one year they cease to carry out work to the value of £5,000, they will automatically lose their registration as "B" class builders.

Mr. Jamieson: Will this apply in the metropolitan area?

THE MINISTER FOR WORKS: Yes. The Act at present confines the conditionally-registered builder to works costing £4,000. The increase will bring the "B" class builder into line with increased costs since the 1953 amendment was passed. The man obtaining registration as a "B" class builder may proceed to full registration by passing the "A" section of the examination. Provision of the examination for "A" and "B" class builders means that any "B" class builder, having the necessary experience, may obtain full registration by passing the "A" section of the examination and also any "B" class builder who loses registration because he does not carry out work to the value of £5,000 in any one year, may obtain re-registration by passing the prescribed examination and qualify by having the five years' experience in the building industry.

It is also intended, whilst we are amending this Act, to make provision for a slight increase in the fees to members of the Builders' Registration Board. The present fee is two guineas for 12 sittings of the board each year. It is proposed to increase the fee to three guineas per sitting. This is in accordance with the rate paid to members of other boards of a similar character and it is considered reasonable, in view of the increases made in connection with other boards.

I have dealt with all the proposals contained in the amending legislation. It cannot be said they are far-reaching proposals, but they do make an alteration in the existing position and are designed to result in a reduction in the number of conditionally-registered builders. I emphasise that it will not deprive any person who is a conditionally-registered builder of his right to retain his registration so long as he remains reasonably active in the trade. All he has to do is to complete work in any one year to the value of £5,000. That is little more than building one house a year. If he fails to do that, then he will lose his registration and he can only regain it by passing the "B" section of the examination, and providing he has had the requisite five years' experience in the building trade.

The "B" section of the examination will not be a highly technical and difficult test, but it will merely be one which a tradesman should reasonably be expected to pass in order to enable him to carry out the work which a conditionally-registered builder has been doing now for some years, but to qualify for the more intricate class of work, the more onerous and responsible, it will be necessary for him to become a fully registered builder, and if he has not that registration already he may qualify by passing both the "B" section and "A" section of the examination and having had at least seven years' experience in the building industry.

I consider that the amendments are reasonable and repeat that they have been agreed with in principle by the various associations which have made representations to the Government for an amendment of this Act, and therefore I think the Bill ought to find favour with members. I move—

That the Bill be now read a second time.

On motion by Mr. Wild, debate adjourned.

BILLS (3)—RETURNED.

- 1, Child Welfare Act Amendment, (No. 1.)

With an amendment.

- 2, Bookmakers Betting Tax Act Amendment.

- 3, Trustees Act Amendment. Without amendment.

BILL—FRIENDLY SOCIETIES ACT AMENDMENT.

Council's Message.

Message from the Council received and read notifying that it had agreed to the Assembly's amendment.

BILL—CITY OF PERTH PARKING FACILITIES.

Message.

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

Second Reading.

THE MINISTER FOR TRANSPORT (Hon. H. E. Graham—East Perth) [5.17] in moving the second reading said: The chief purpose of this Bill with the somewhat unusually long Title is to confer on the Perth City Council authority to control parking within the borders of the City of Perth municipal district or any portion of that district as might be defined by proclamation. The intention is that the operations of the Perth City Council in connection with this matter should be subject to the Minister; and that is for the purpose not so much of giving the Minister an overriding authority, which he has, but rather to see that there is no conflict between the parking procedure decided upon by the council and the effect it might have upon traffic matters generally. In other words, whatever decisions are made affecting the highways and the road system generally should be made to dovetail so as to form a complete pattern.

I think it can be said, and it should be obvious to everyone, that the carefree days of catch-as-catch-can in connection with traffic matters are gone. As the capital of Western Australia is becoming larger, and as our motor-vehicle population is increasing by the thousands every year, it

is necessary to devise ways and means under which there can be some regulation and order. Otherwise, it will be impossible for places of business to conduct their affairs, and impossible for members of the motoring public to pass from place to place and go about their business.

This Bill deals with parking in its broadest sense—that is to say, parking at the kerbside and off-street parking. It will be seen and appreciated from the Title, that it vests in the Perth City Council power to install and operate parking meters; but no decision is made by Parliament that there shall be parking meters. That is a matter that will be determined by the Perth City Council itself, as to whether it will install any, when it will do so, in what places they shall be installed, the period of parking time allowed, and the charge to be made.

Hon. Sir Ross McLarty: Have they not in effect already decided that?

The MINISTER FOR TRANSPORT: Yes, and they are desirous of having this power, which up to date they have not had. But it would still be possible for the council to decide that there shall be no parking meters. I am not suggesting that would be the position; I am merely indicating it is left to the City Council within this overall ministerial supervision to make its own determination in connection with the matter.

Mr. Ross Hutchinson: Was this drawn up after consultation—

The SPEAKER: Order! I must ask members to let the Minister make his own statement first. There will be plenty of opportunity to discuss the details in Committee.

The MINISTER FOR TRANSPORT: I might mention at this stage that there were lengthy consultations between certain Government officers and the Town Clerk of the City of Perth, and the original draft submitted to me was approved by both parties. There have been only minor departures from that draft. Those amendments, minor as they are, were made simply for the purpose of ensuring that there will be no possibility whatsoever of yet another authority being in the position to make vital decisions that could completely upset any overall traffic plan.

It will be seen that the Bill refers to parking. All other matters pertaining to the administration and enforcement of the provisions of the Traffic Act and regulations will continue to be operated by the police. To a very great extent this Bill resolves itself into a question of whether the Government itself should conduct all of the organisation necessary in connection with parking, or whether it should be vested in the Perth City Council. There is, perhaps, room for a difference of opinion in connection with that matter. The Government—which, incidentally, made a decision in respect of this

matter last year—felt that that was a responsibility which could well be undertaken by the Perth City Council, and that body itself was most anxious to assume the responsibility.

One objection that is invariably raised upon mention being made of this matter in Parliament, if it agreed to the proposition, would be opening the flood gates, as it were, to the Perth City Council to enable it to fill its coffers at the expense of the motorist. I hasten to assure members that nothing of the kind will be possible. There is a provision in the Bill for the formation of a parking fund. Into that fund will be paid moneys that are borrowed for parking purposes. Any of the fees or charges that are collected, and any fines or other penalties that are paid and collected will be paid into that fund, which is separate and distinct altogether from the normal funds of the Perth City Council.

From that fund will be paid out the expenses of administration; the purchase price of land or properties that are acquired; the costs of improvement and development of areas of land for parking purposes; the erection of necessary structures where these are required; the purchase and installation of equipment; the maintenance of any of the parking facilities provided; the meeting of interest and other charges pertaining to moneys raised by way of loan; and the meeting of general expenses in connection with the conduct of the scheme.

So it will be appreciated that there is no possibility of a leakage of money from the motorist to the ordinary purposes of the Perth City Council. It will be seen, too, from the Bill, that the council is authorised to borrow, with the approval of the Governor, up to a total of £447,000. That figure was submitted by the Perth City Council itself. The borrowing will be undertaken under the powers set out in the Bill but separate altogether from the borrowing powers of the Perth City Council as outlined in the Municipal Corporations Act.

It is proposed that in the first seven years after the coming into operation of this measure, the Government shall guarantee the payment of interest and repayment of the loan to the extent that funds are not available to the council to meet those obligations. It should be appreciated that in the initial years there will be a very large expenditure of money in the development of car-parking areas, but comparatively little return; and, naturally, if the Perth City Council is to be the operating authority, it desires some sort of assurance that it will not be caused embarrassment because of the operation of the proposals in the Bill.

What are usually referred to as car parks are called parking stations in the Bill. These will be landscaped, and I will have a few words to say about that presently. They will be in the charge of

attendants and may have upon them service stations to provide petrol, oil and cleaning service and the supplying of accessories. But in the terms of the Bill, a workshop shall not be allowed. In other words, there will be the elementary services which can be given to the motorist during the period the car is parked on the premises without any necessity for the owner of the vehicle to drive through the city streets.

Mr. Court: Whom did you say they would be conducted by?

THE MINISTER FOR TRANSPORT: By the Perth City Council. That body will, no doubt, call tenders and lease a portion of the parking areas to somebody who seeks to conduct a business with the exclusive right to operate on such areas, although the Perth City Council could operate the service station itself. The matter is left entirely to the council; but, in my opinion, rather than conduct the service station, the council would lease it to some private operator. There could be cases where a person, or several persons, could serve in the dual capacity of attendant to the motorist and supplier of the basic requirements of the motorist; because I dare say that 90 per cent. of the attention given to the vehicles would be at a time when there was no great flow of vehicles in and out.

Initially, these parking stations will be on open land; but it is envisaged that in due course it will be necessary in the heart of the city to erect multi-storeyed buildings or tunnel under the ground for the purpose of providing these facilities. As land becomes more and more valuable, it stands to reason that greater economic use must be made of it, and when that stage is reached I think the mere ground level storage of cars would be absurd and so the measure contains power for the construction of buildings to meet the requirements of the public in this regard. Owing to the urgency of the need for these car parking areas, certain steps have already been taken in anticipation of the passage of this Bill.

I think members are aware of the moves that have been made in several directions. There is an area in Wellington-st., at present railway property, upon which are situated a number of business premises and the occupiers of all those premises have been told that, as from certain dates, they will be required to vacate the premises for several reasons. Firstly, to allow the widening of Wellington-st.; secondly, to enable the provisions of car parking space to be made and, thirdly, to allow for certain access roads or ramps to the switch road which is planned to go over Wellington-st., and the railway line.

It is estimated that within 12 months at least part of that area will be made available for use by motorists and that eventually the area will be capable of accommodating something in excess of 1,000

motor-vehicles. At the foot of Mill-st.—this might take two years—there will be provision for the parking of approximately 1,600 motorcars at any one time and in a third area, between the Supreme Court Gardens and Victoria Avenue, there will be provision for parking about 500 motorcars, and it should be possible to have that car park in commission in about six months time.

At this stage I think I should mention that only about half of that area will be used as a car park, the balance being used for gardens and garden treatment generally. It will be seen, therefore, that the car parks—or car stations as they are called in the Bill—selected to date are strategically placed close to the heart of the city; one to the north-west, one to the south-west and one to the south-east. We now require another on the north-east perimeter, close to the city, to provide for cars coming into the city from a northerly direction and situated, if possible, on the northern side of the railway line so as to obviate some of the stress and strain that occurs at certain hours on Beaufort-st. Bridge.

It is proposed—and indeed it is suggested in the Stephenson plan—that there will be other car parks, the majority of which will be further removed from the heart of the city. From memory, I think Professor Stephenson made provision for the parking of a total of 12,000 motorcars. Of course, from these car parks situated a little further out of town shuttle services will no doubt be provided to take passengers with their luggage from those car parks to the centre of the city, and the Bill contains authority for the Perth City Council to make the necessary arrangements in connection with that movement of the people.

One of the clauses of the Bill states that it is necessary to obtain the permission of the Perth City Council before anyone can open or operate a car park for which a charge is to be made. An appeal to the Minister is provided in this regard. On the surface this provision appears to be running directly counter to what is sought in the Bill—that is, the provision of additional off-street parking facilities.

The purpose, however, is to ensure that there is not likely to be a car park of some dimensions—perhaps a multi-storey building—situated on a main or arterial road with the result that at peak periods vehicles would be cutting across the flow of traffic and thereby causing a hazard or a blockage which might extend for miles back along the road concerned. That is the reason for this provision which, as I have said, might appear on the surface to suggest that the Perth City Council, having its own parking areas, would do everything possible to discourage private people from embarking upon the establishment of their own parking schemes.

That, however, is not the intention with regard to these car parking areas, which are an absolute necessity, because I think it is patent that there is insufficient kerb space available for every vehicle which seeks to approach the city during the business hours of the day—even if parking is desired only for limited periods. Some people seem to have the misconception that a car park must be an area of some acres of bitumen, uninteresting and indeed an eyesore. Far from that, a car park such as is envisaged after discussion with senior departmental officers and with the Perth City Council will, if anything, be a thing of beauty. It will be an open space with avenues of trees and proper concrete kerbing.

There will be gardens placed at strategic points and a view of one of these proposed parking stations from King's Park, for instance, will, at all events in the summer months, appear to be nothing but a wooded lot—a miniature forest in the heart of the city—

Mr. Court: Is that the hope, or the requirement?

The MINISTER FOR TRANSPORT: It is the hope and, from my discussions with the Town Clerk of the City of Perth, I think the intentions of the Perth City Council will confirm that wish and desire on my part. The Perth City Council were so insistent upon this idea in respect of the area to the east of the Supreme Court Gardens that, in carrying the resolution agreeing to that area being made available as a car parking station, the council insisted that no more than 50 per cent. of the ground should be devoted to car parking.

In other words, the spirit of the Perth City Council, as shown in its resolution, was that half that area should be developed as parks and gardens and that even on the other half there should be lines of trees. Accordingly, there will be no question of these parking spaces being eyesores or in any way offending against the aesthetic tastes of even the most scrupulous of our people.

With regard to kerb side parking it does not necessarily follow that even if parking meters are decided upon, they will be installed in every street. I think it is laid down by those who are qualified to speak in this regard, that parking meters should be installed only in those places where there is a far greater demand for parking space than can be met. In other words, the parking meter is there for the purpose of rationing space, not making more space available, although in effect it does do that.

To illustrate that point, during the past week—judging by the comments made by members of this Parliament and other people—it is amazing to see just what amount of free parking space there is available in the City of Perth since the parking stalls have been provided. So far

as I am able to work it out, the reason for that is that there are far more members of the Police Force moving about the city at present on traffic duty and where previously quite a large percentage of the public were prepared to leave their vehicles for one or two or even four or five hours in places where only 30 minutes parking was permitted, owing to the presence of the extra traffic officers those motorists have become more meticulous than usual about moving their vehicles to other places or making their calls of shorter duration.

When there are parking meters installed and motorists know that on the expiration of the 30 or 60 minute period—whatever the authorities may decide—with the clock ticking over the word “expired” will appear in red letters, indicating clearly that the motorist has overstayed the period, that will have the effect of making the motorists more careful than usual and so, instead of a limited number only using the precious kerb space in the heart of the city, the parking meters will be responsible for a more rapid turnover, with the result that a greater number of people will be able to take advantage of that parking space.

Where people have calls of longer duration, the car parking stations will be available to them and I have no doubt that for the use of those car parking stations a charge will be made by the Perth City Council. If a parking station is to cost tens of thousands of pounds, to say nothing of the remuneration of the attendants responsible for ensuring orderly parking and so on, someone will have to meet those charges, and naturally the people using the facility will be those called upon to make some payment.

Hon. Sir Ross McLarty: Will it be a case of the man with the most sixpences getting the most parking space?

Mr. Rodoreda: Then you would not need to worry.

The MINISTER FOR TRANSPORT: Does the hon. member mean station or kerbside parking space?

Hon. Sir Ross McLarty: Kerbside.

The MINISTER FOR TRANSPORT: Matters of detail in connection with the operation of the parking meters do not appear in the Bill, but I am told the procedure elsewhere is that it is an offence to place a second coin in the parking meter and that the motorist must move his vehicle to another place.

Mr. Wild: What arguments are put forward by the experts against angle parking?

The MINISTER FOR TRANSPORT: The arguments generally adduced were, firstly, that it unduly narrowed the streets and, secondly, that when backing

out from an angle-parked position, the rear of the vehicle protruded, in many instances, almost to the centre line of the roadway, and that for a great deal of the time while backing the motorist was reversing in a blind position, for until the driver's seat of the vehicle reached a position beyond the rear of the car parked alongside, on the side from which the traffic was approaching, it would be impossible for the driver to see what was coming from that direction. We had angle parking in St. George's Terrace for a while but that procedure was abandoned by general consent.

Mr. Wild: But you must agree—

The SPEAKER: Order! The Minister must be permitted to continue his speech.

The MINISTER FOR TRANSPORT: Angle parking is quite apart from this measure as it is not mentioned in the Bill. If there were any merit in angle parking, there would be only one or two streets in Perth where it could be undertaken with any degree of safety. St. George's Terrace, might be one and Stirling-st. might be the other. I am informed that whilst initially there might be some objection on the part of motorists to the installation of parking meters, after a comparatively short period they become accustomed to them and, in fact, favour them because of the beneficial effect they have—as I outlined earlier—of making possible a more rapid turnover of the existing parking space. However, members can check on that point themselves.

Mr. Rodoreda: Would this be possible to implement without parking meters?

The MINISTER FOR TRANSPORT: Yes, but I think it will be appreciated that when a rapid turnover of vehicles using a restricted number of parking spaces is necessary, a timing device is essential—because practically every motorist arrives at a different time to park—and therefore there would have to be an installation fitted with some mechanical device in the nature of a clock to time each individual vehicle and into which a coin would have to be inserted. Perhaps a motorist could use discs of his own making instead of coins, but in any event there is some capital cost incurred on the installation of the parking meters, plus the cost of maintenance and the cost of emptying the boxes that are made to carry coins but which perhaps could also carry discs.

In connection with this matter, while there is nothing in the Bill relating to it, there has been a suggestion made to me—and perhaps there is some merit in it—working on the basis of the coin being 6d., that the Perth City Council could make available to certain firms 40 discs on the payment of £1, so that certain

drivers who are called upon to pay for this parking space could use these discs instead of coins.

That safeguard could be used to check up on any dishonest act because it could easily happen that some driver who had to park three times during the course of the day could come back to the boss and state that he had parked seven times during the day because he had used the other four coins to buy a drink in a hotel. However, if he were supplied only with discs they would not be legal tender over the bar. Matters such as that, I am sure, would be left to the commonsense and judgment of the Perth City Council. That authority is most anxious that this whole arrangement shall work effectively, will cause the least confusion and disturbance to the people and, indeed, will impose the least burden on them.

Experience will dictate, no doubt, whether the charges will have to be increased or decreased after the initial moves have been taken; experience will dictate whether longer or shorter parking periods will be necessary, and experience will show that, in some cases, parking spaces or stalls should be removed from certain streets and placed in others because of the tremendous demand for kerbside parking space in those other places. However these are all machinery provisions.

Mr. Rodoreda: Have you considered putting a handle on the side, similar to that on a one-armed bandit, and so give the motorist a real go at it?

The MINISTER FOR TRANSPORT: I cannot say that I have considered such a suggestion. I will admit I have spoken to the hon. member about it, but that again would be a matter for the Perth City Council. Inspectors employed by the Perth City Council will, in the interests of the public, be dressed in distinctive uniform and will be required to carry a certificate of authority. It will be noted from the Bill that the Perth City Council cannot make a determination upon the type of uniform to be worn by the inspectors without the permission of the Minister.

That provision has been inserted at the request of the police because it has been found—to a small extent in Western Australia, but to a greater extent in other parts of the Commonwealth—that traffic inspectors who are not police officers, and also other people such as commissionaires and the like, have been fitted out in uniforms that closely resemble those of the Police Force. It is most undesirable that, although they should be permitted to wear distinctive dress, as determined by the Perth City Council, they should not be allowed to wear a uniform similar to that worn by those whose duty it is to uphold the law and who, on occasions, have to take some violent and drastic action in the course of their duties.

It will be seen that these inspectors, who will be employed by the Perth City Council, may, in certain circumstances, be assisted by the police and, in other cases, shall be assisted by the police. The Police Department, incidentally, has no objection to that provision. Under the regulation-making part of the Bill, there is provision for what might be termed a "tow-away" service. In Sydney and in Brisbane this type of service has been found most effective. It is a fact that some motorists are prepared to take the risk of committing parking offences and are prepared to meet more or less nominal fines from time to time.

However, there are places where, if a vehicle is parked, it becomes a dangerous hazard. Apart from that, a single vehicle can be responsible for holding up a whole line of traffic—involving, in peak periods, thousands of cars—and as the volume of traffic becomes greater, so it becomes more complex. Therefore, in our sister States it is found that, first of all, in order to remove the hazards and the impediment to the flow of traffic, some authorised persons are engaged to hitch the offending cars to towing vehicles and the cars are taken away to some repository—we can call it a motor-vehicle pound to illustrate what I mean—following which the owners can only regain possession of their cars by paying a certain fee, which, of course, does not exonerate them from prosecution for the offence they have committed.

However, it will be seen that the motorist who has defied authority and has created this hazard is put to the discomfiture and inconvenience of not finding the car where he left it; of hiring a taxi to go a couple of miles to where it is impounded and then paying £2 or £3 to get the car out, following which, some time subsequently, he is charged with the offence he has committed. I understand—and there is something new and novel about this—that the effect of this provision, and the effect of one or two cases involving such a procedure being followed, has an electrifying effect upon motorists generally and for that reason they are exceedingly careful to ensure that they do not offend in what I might call a major sense.

Here I would point out immediately that it is by no means the intention, because a person has parked more than the regulation few inches from the kerb, that this towing vehicle shall take his car to the motor-vehicle pound.

Mr. Ackland: You are looking very happy in anticipation, all the same.

The MINISTER FOR TRANSPORT: I have been watching the faces of various members as I have been speaking. I am told that in one suburb of Brisbane—unfortunately this system was not operating when I was there some months ago—the

officer responsible for that area had towed away two or three vehicles a month or so prior to my visit and because of that, the suburb in which he operated was the most orderly of all in Brisbane as far as parking was concerned.

Mr. Lawrence: Who would be responsible if there were any damage done during the towing?

The MINISTER FOR TRANSPORT: I suppose most vehicles are covered for damage by insurance, in any event.

Mr. Lawrence: I am asking: Who would be responsible?

The MINISTER FOR TRANSPORT: The insurance company in some cases—

The SPEAKER: I must ask members to stop interjecting and allow the Minister to continue with his speech.

The MINISTER FOR TRANSPORT: So far as I am aware, this towing-away service is still in existence in Brisbane, but I understand that the dogs were called off because of the impending election a few months ago. That may have been to achieve some better results in the borderline electorates, but I do not know. The only other observation I want to make is that a somewhat similar provision to the one in this Bill was inserted last year in the Traffic Act for minor offences. That is, it is proposed to provide that the postal system will be used in regard to offences instead of persons having to attend court.

When a minor parking offence is committed, a sticker will be placed on the windscreen of the car, in the same way as a ticket is now left under the blade of the windscreen wiper and following that a notice will be forwarded to the offending motorist a few days later stating, in words to this effect, "If you plead guilty to an offence committed on such and such a date, this will be met by the payment of a fine of 15s." And upon the payment of that amount by the motorist, the breach is satisfied. However, it is also pointed out that the person accused of this offence may, if he wishes, contest the charge in the court. The same thing applies in this Bill, and it is a very necessary provision.

Some time previously I think I indicated in this House that, in the huge city of Sydney there were so many breaches being detected, it was impossible for the courts to handle them and the motorists there had worked out that there was about one chance in 10 of their being caught when they committed a breach of the traffic regulations and further that if they were caught—because of the impossibility of the traffic courts being able to handle the cases—there was about one chance in four of their having to appear before the

court. In other words, three-quarters of them were being cast aside or forgotten because of the incapacity of the traffic courts to handle the number of offenders that had been discovered committing breaches by the traffic authorities.

This simple and quite effective method has been used under our Traffic Act since the beginning of the year and has proved itself. Therefore it is intended to adopt a similar practice under this Bill in regard to parking offences, to which, incidentally, it applies now. This, of course, is a non-party Bill. It is a measure which is designed, in conjunction with other legislation and other steps that have been taken to put traffic and vehicular movement generally in the metropolitan area on a more satisfactory basis than has been the case for many years past.

The Perth City Council is most anxious to "get cracking" in connection with this matter. It is enthusiastic and desirous of assuming the responsibility that goes with it. I think I shall conclude on what seemed, at one stage, to be a controversial note, namely, that none of the money received from charges made—fines or any other charges—will find its way into the coffers of the Perth City Council, but all of it will be used for parking administration and for the provision of further facilities for the motoring public. I move—

That the Bill be now read a second time.

On motion by Mr. Ross Hutchinson, debate adjourned.

BILL—ARCHITECTS ACT AMENDMENT.

Second Reading.

Debate resumed from the 30th November.

MR. COURT (Nedlands) [6.1]: This Bill which seeks to amend the Architects Act is a very desirable measure. The details have been outlined by the Minister. Although I have not had a copy of his speech up to this stage, I have studied the Bill carefully enough to realise the effects of the proposed amendments. In the main it does assist in the better regulation of the profession of architecture, and in that respect it is a very sensible measure.

This profession is largely disciplined within its own ranks because the members of the Architects' Board are themselves architects. At the same time, there is adequate provision for anyone who feels aggrieved at a decision of that board to appeal outside the ranks of the board. I support the second reading.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Moir in the Chair: The Minister for Works in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Section 16 amended:

Mr. COURT: At this stage the Minister's speech has not been released, so I was unable to check on this point. I cannot recollect during his speech any explanation being given as to why it was decided to change from an appeal to the Supreme Court, to an appeal to a magistrate. As a matter of interest and for the information of the Committee, could the Minister advise why the change of procedure has been decided upon?

The MINISTER FOR WORKS: The board felt that it would be better to leave the power within the board rather than repose it elsewhere. If it took disciplinary action against an architect, then, as in accordance with the Builders' Registration Act where similar action has been taken, there is an appeal to a magistrate. It was felt that the same procedure would meet the position in the case of architects, instead of having to bring an appeal before the Supreme Court. There was no other reason for the decision to change the procedure.

Clause put and passed.

Clauses 4 to 8, Title—agreed to.

Bill reported without amendment and the report adopted.

Third Reading.

Bill read a third time and transmitted to the Council.

BILL—BREAD ACT AMENDMENT.

Second Reading.

Debate resumed from the 30th November.

HON. L. THORN (Toodyay) [6.7]: In speaking to this Bill, I would like to state that I do favour, and I have always favoured, deliveries. During the last war and since, the housewife has been made a packhorse to too great an extent; she has been compelled to carry her meat and groceries home, and she now has a fear that the day will arise when she will have to carry her bread home.

When I occupied the position of Minister for Labour, I did not listen to any proposition which tended to weaken the law covering the delivery of bread. In consultation with the master bakers, I was told that they were in favour of the delivery of bread. I ascertained that from them. Unfortunately, the position which has arisen in Kalgoorlie has brought the matter under public notice and made it necessary to deal with this question. I regret having to do this because the occasion opens up the Act entirely; it requires amendment of a general character which I would like to see effected.

The amendments in the Bill apply to the whole State and power would be given to the authorities to order deliveries of bread. If the legislation is enforced with common-sense, and I understand that is the intention of the Government, no harm will come of it. But Governments change and positions change, and this authority to order delivery could be used in an undesirable form.

Getting back to the position in Kalgoorlie which I said had unfortunately arisen because the master bakers ceased deliveries, when one refers to the "Kalgoorlie Miner" relating to that incident, I feel that the master bakers had some reason to take action. One of them said that he had 1,200 customers on his ledger and they owed him £1,000 for bread. It is very difficult to continue deliveries under those conditions because it was costing them 3.9d. to deliver a loaf. If they are not paid, it makes it very difficult for them to carry on. This Bill provides for the payment of bread on delivery, so there is a safeguard.

What does worry me is the widespread effect of the Bill which affects the whole State. If sufficient agitation is aroused in any town, it might be considered by those in authority that there should be delivery of bread at that centre. When one studies the economics of this matter, one will see that deliveries in certain cases would be entirely unprofitable. Today bread is not delivered in Toodyay which is a town with a fair population. The customers go to the shop for their bread, and the farmers living outside of the town co-operate and deliver bread on their way home. That method helps to keep the cost of bread down.

Bread is the staff of life. It is one of the main items of food, yet when we take into consideration the great food value of bread, it is not really an expensive commodity. I know the cost bears heavily on large families which use a lot of it, and when the cost is totalled over several weeks, it is substantial. If deliveries are insisted on in country towns, where that method would not be a profitable proposition, it would result in an increase in the price of bread.

Mr. Evans: There will also be the non-delivery price.

Hon. L. THORN: That is so. I was wondering whether this provision in the Bill could be considered further with a view to ensuring that there should be a minimum of 1,000 loaves before deliveries are effected. I do not oppose the delivery of bread because I have always been in favour of it, and when I noticed what happened in Kalgoorlie, I regretted the action taken.

Take the item of meat: When deliveries were stopped, in some cases four to five vehicles were put off the road and in other establishments four or five employees were

put off. What was the result of non-delivery? The prices did not come down; they kept on increasing. It is quite a temptation for anyone in business, and it is quite normal for the proprietor to advocate non-delivery of these items, because the cost to him would be reduced. We have to watch this question very closely and to ensure that the very necessary deliveries of bread are not cut out.

Sitting suspended from 6.15 p.m. to 7.30 p.m.

[Mr. Sewell took the Chair.]

MR. COURT (Nedlands) [7.30]: This Bill, which makes it compulsory for bakers to deliver bread under certain circumstances to be prescribed, is to my mind, an undesirable piece of legislation. The objectionable feature is that it is a compulsory measure so far as bakers' deliveries are concerned.

Mr. Lawrence: You compel men to serve their country.

Mr. COURT: I should not think the hon. member would want to make that a comparable case. I know that from time to time the position does arise in different districts where tradesmen of one sort or another decide, for various reasons, that they will not deliver a commodity. In this instance the bakers on the Goldfields have decided not to deliver bread. There was an outcry about it. There has been a bubble in similar circumstances in other parts of the State when bakers refused to deliver bread.

The Minister for Works: What is the difference between making a baker deliver bread and forcing a unionist to offer himself for work?

Mr. COURT: We did not do that.

The Minister for Works: You supported the punitive clause making it just that.

Mr. COURT: The Minister knows that is done under the most extreme circumstances.

The Minister for Works: Not under extreme circumstances at all.

Mr. COURT: Most extreme circumstances—and to the best of my knowledge it has never been put into operation in this State. The Minister is expecting to make this a permanent compulsion. Once the regulation is issued, it will be compulsory until it is withdrawn, and that will be a Kathleen Mavourneen period.

The Minister for Works: So is the Industrial Arbitration Act.

Mr. COURT: We have not made people deliver meat, vegetables, clothing and a host of other commodities. In fact, if anyone introduced legislation tomorrow to enforce the return of the old butcher's cutting cart, there would be a mighty outcry. He would have the Health Department and

public opinion against him. It is not so long ago when the cutting cart was quite common in our community, but we have never made it compulsory for butchers to deliver meat. We have never said to the butcher, "Get rid of the cutting cart and replace it with a more hygienic method of delivery." But all of a sudden someone ceases to deliver a particular commodity, and there is an outcry.

Mr. Evans: What about the feelings of the people?

Mr. COURT: We think just as much of the feelings of the people as does the hon. member. Under normal circumstances—in fact, under any circumstances where it is practicable and where the facilities can be arranged—I favour delivery, but I do not believe in compulsion.

Mr. Evans: What about the compulsion forced by the master bakers on the mass of the people?

Mr. COURT: The hon. member can bring that argument forward if he likes. I will explain my reasons in my own way. We should not compel people to do this.

Mr. Evans: You are compelling women to queue up for bread.

The ACTING SPEAKER: Order! The hon. member will please address the Chair.

Mr. COURT: There are various factors in connection with the overall problem of bread delivery throughout the State to which we will have to address ourselves in the near future, and our efforts will not be related to an isolated instance such as a particular town or set of towns. I suppose the most uneconomic unit of delivery undertaken in our community today is a loaf of bread. The cost of delivering a 2lb. loaf, in the metropolitan area, has been established as being 3.9d. With the increases that have taken place in costs since this figure was arrived at, one could say that for all practical purposes it would now be 4d. I know of no other commodity, costing 1s. 3½d. that has a delivery service such as we have for bread.

Mr. Evans: You are lucky.

Mr. COURT: If it can be continued, I am all for it, because it is a wonderful service to the householder. A loaf of bread is a fairly weighty commodity to be carried. I can foreshadow this position arising in the metropolitan area, generally, that if people do not continue to co-operate with the baker, by putting out suitable containers in the front of the house, difficulty will be experienced in maintaining deliveries.

The consumption of bread per head is not an increasing factor, but a decreasing one. It is a paradox that the higher the standard of living in a community the less bread is consumed per head because people go on to other commodities of a more expensive nature, but which they consider to be more palatable.

Mr. Lawrence: Have you seen any bakeries that have had to close?

Mr. COURT: I am coming to that point in connection with the economics of the industry. In the metropolitan area we have an extraordinarily large number of bakers compared with the population; and as compared with population in, say, Adelaide, Melbourne and Sydney. For some reason, the tendency has been for the main body of bakers in our metropolitan area to continue in business whereas in the cities to which I have referred the tendency has been for the bakers to voluntarily consolidate their businesses. We have had the introduction into Australia of the big Weston group which consolidated substantial bakeries in Adelaide, Melbourne and Sydney, and we have had a similar tendency amongst other substantial bakers in the Eastern States.

I would suggest that one of the reasons why they have been able to meet some of the increasing costs and industrial problems in the East has been due to the fact that they have been able to consolidate their businesses and, through increased mechanisation, have been able, partly, to defeat cost rises. However, in this State we have not had the same tendency towards voluntary consolidation of our bakeries, but I feel that it will have to come; and I sincerely hope that it will come as a natural process of certain bakers acquiring the businesses of others on fair and just terms, rather than by any compulsory method.

The question of forced deliveries has been attempted in other States. I do not know of any successful prosecutions, but I well remember the situation in New South Wales because, due to labour difficulties there, it was physically impossible for certain bakers to conduct their deliveries, no matter how willing they were to do so. When the National Security Regulations were lifted, the bakers in Sydney had a voluntary system of zoning, but they still could not meet the situation which arose due to the great shortage of labour. The job of breadcarting is not a very popular one, and it has always been short supplied so far as labour is concerned.

Mr. Evans: Can you tell me what the set-up is in Victoria at the present time?

Mr. COURT: If I might finish what I am saying, I shall come back to it. The position in Sydney became so bad that the bread rounds were numbered so that the hon. member, for instance, might live in a locality which would be served by rounds Nos. 25 to 27. He would have to listen to the wireless each day to learn whether the deliveries had been suspended owing to labour shortages.

Hon. J. B. Sleeman: It was bad luck if you had no wireless.

Mr. COURT: They did have a certain amount of neighbourliness whereby people informed one another of the position. An understanding developed in the different districts whereby the customer would listen to a certain station at a certain time and the baker would announce that deliveries were suspended until further notice, but deliveries would be made at certain declared points. This was not because of any desire on the part of the master bakers to curtail deliveries, but because of the labour market. Gradually they have been able to return to more normal deliveries and I suppose that in due time fullscale deliveries will be re-established.

Mr. Lawrence: You do not suggest that there is any shortage of labour here?

Mr. COURT: I am not suggesting that, but that was the main reason for the non-delivery in Sydney. I am pointing out the circumstances that can arise with compulsion. The New South Wales Government could not substantiate a prosecution where it was a physical impossibility for the baker to deliver although it had the legal authority to enforce, or try to enforce, deliveries. I suggest to the members from the Goldfields, who have been loud in their protests, that the way is open to anyone who wishes to establish a bakery, to set up in opposition to the existing bakers.

Mr. Evans: Is it?

Mr. Moir: I will tell you something about that.

Mr. COURT: I made some inquiries today which might surprise members. There is no shortage of flour or other ingredients, for a start. In fact, the flour-millers will fall over themselves to supply anyone with flour if he can pay for it. The other ingredients are available if they can be paid for. That is fair enough. I went further than. I said, "Well, what about the plant that is used in a bakery. Is there any restriction on that?" I found out that the suppliers of plant would, likewise, fall over themselves to effect a sale because they are as keen as mustard.

Several very reputable brands of equipment are on the market and the different firms are competing with each other for sales provided the purchaser can pay. It only wants one person in a district such as the Goldfields to set himself up as a baker and be prepared to deliver when, I suggest, the others in self-defence will make deliveries, or will go out of business.

Mr. Evans: Before he starts to operate.

Mr. COURT: The way lies wide open. He can still establish himself and compete. If the people on the Goldfields are

so loyal, surely they would take care of him and give him the custom after he has started business! The argument on compulsion breaks down. If it was an economic proposition to handle this business, there would be people up there tomorrow to set up as bakers and make deliveries.

The Bill provides that where a baker uses in a prescribed area any bakehouse as a bakehouse, if he is required, whether orally or in writing, to do so by any person, then except where Subsection (3) of the appropriate section provides otherwise, "the baker shall sell to that person and shall deliver or cause to be delivered to that person within such hours and within such distance of the bakehouse as the regulations prescribe." How are we to know that this regulation is not going to call on a man to distribute an unreasonable and an uneconomic amount of bread?

The Minister for Labour: You ought to give other people credit for as much commonsense, as you expect to have.

Mr. COURT: The Minister knows that when measures of this sort go on the statute book, political pressure is brought to bear in a particular area and that will not end with the Goldfields. This measure will start a wave of such moves. There will be a wave of pressures from one part of the State to the other and local members will be invoked and asked to approach the Minister to issue regulations to cover their areas. He will be bound to do it. People will say, "If those on the Goldfields can get it, why can't we?" People in places like Merredin and all other towns will be wanting the same thing. There are plenty of places in this State where there is no agitation for bread delivery. But once this measure was passed, there would be many other areas where people would be asking for it.

The Minister for Transport: Why is it that you are always against the public and always on the side of certain business interests.

Mr. COURT: That is not fair comment on the Minister's part.

The Minister for Transport: You have been consistent in that regard.

Mr. COURT: I am all for the public. If someone is prepared to give them service, good luck to them; but we cannot force people to do these things. Surely it must be repugnant to the Minister to force people into doing things!

The Minister for Transport: Of course it is.

Mr. COURT: If they cannot operate bread deliveries on an economic basis, is it fair that they should be forced to do it? They will have to examine the position and if they find they are not getting a satisfactory return, they will have to ask for an increase.

The Minister for Transport: It is just as fair as the Arbitration Court deciding that workers cannot get an increase in their pay. You are not prepared to allow an umpire to decide anything.

Mr. COURT: A man does not have to go to work in a trade or industry on the wage set down.

The Minister for Transport: If these people do not like to deliver bread in Kalgoorlie, they can give up the business.

Mr. COURT: They probably will if the Minister is going to force them to deliver.

The Minister for Transport: They will get paid for it.

Mr. COURT: But the Minister knows that they do not fix their own price.

Mr. May: You leave it to them.

The Minister for Transport: The Wheat Products Prices Fixation Committee does that.

Mr. COURT: That is so. The bakers are not masters of their own destiny. In the case of the Arbitration Court, that court fixes the minimum that will be paid under an award. But in the case of the Wheat Products Prices Fixation Committee, the maximum is fixed.

The Minister for Transport: Yes.

Mr. COURT: A worker does not have to work at a particular trade and I suppose a baker could do the same thing by going out of business; in other words, he must commit commercial suicide, and most of them will, if we pass legislation like this.

The Minister for Transport: The board will give him extra money for deliveries.

Mr. COURT: Yes, but they claim that it is not enough.

The Minister for Transport: The sky is the limit for them. Why don't you think of the housewives for a change?

Mr. COURT: They consider that it is not economic and surely the Minister must give them credit for wanting to run their businesses properly. It is difficult to get bread carters to run bread deliveries and deliver from house to house.

The Minister for Transport: If they advertised for bread carters tomorrow they would probably get 100 replies.

Mr. COURT: Probably tomorrow, but that has not always been the case and may not always be the situation. I oppose the Bill.

MR. MOIR (Boulder) [7.48]: I would like to say a few words on this measure if for no other reason than to put the member for Nedlands right on a few things.

[The Speaker resumed the Chair.]

Mr. Evans: Hear, hear!

Mr. MOIR: It is rather amazing to find that there seems to be a cleavage in the Liberal Party over this measure; if there

is not, they do not school their candidates who stand for political honours in the beliefs of their party, because we found at the recent elections, held early this year, that Liberal candidates who stood and who were, of course, defeated, on the Goldfields, were loud in their claims about just what they would do to have bread delivered to the housewives of Kalgoorlie and Boulder. Apparently they were right off the beam so far as Liberal Party policy is concerned, if the member for Nedlands was enunciating Liberal Party policy this evening.

Mr. Court: We have a degree of freedom, and you are not used to that.

Mr. MOIR: I thought there might be something like that because in addition to advocating bread deliveries, some of these candidates were advocating that the Leader of the Opposition should be sacked.

Mr. May: No.

Mr. MOIR: Yes.

The SPEAKER: Is the hon. member connecting this up with bread deliveries?

Mr. MOIR: Yes, Mr. Speaker.

Hon. Sir Ross McLarty: I have never heard that. I cannot credit it.

The Minister for Transport: It seems to be coming about, too.

Mr. MOIR: When bread deliveries ceased on the Goldfields, one of these candidates conducted a house to house canvass to see how indignant the housewives were about it. At that time he was loud in his condemnation of Labour members and of the Labour Government for not having done something about it. Of course, he gave the promises to which I referred earlier, and he said that immediately on being elected he would see that bread deliveries were restored.

Hon. J. B. Sleeman: The Liberals will promise you anything.

Mr. MOIR: Apparently the member for Nedlands is not conversant with what took place in Kalgoorlie or he would not have said some of the things he did. He said that anyone could go up there and start off a bakehouse. He said that in Kalgoorlie there is no shortage of flour or the necessary machinery. But I think he would find, if he wanted to start up in a bakehouse on the Goldfields, that there would be certain difficulties about it. When bread deliveries ceased, as a result of a meeting of master bakers on the Goldfields, it was fairly well known that one of the master bakers wanted to continue to deliver and that the others had clubbed together and leased his business to prevent him.

Mr. Court: That does not stop another man from starting up.

Mr. MOIR: I want the hon. member to wait until I have told him the full story.

Mr. Court: I heard it all from the member for Kalgoorlie the other night.

Mr. MOIR: The hon. member has not heard the full story.

Mr. Court: Was he incorrect?

Mr. MOIR: As members can appreciate, there was a certain amount of indignation among people in Kalgoorlie when the master bakers decided that deliveries would cease and that bread would be sold from certain shops within the town. There was no doubt that the bakers used compulsion to force the people to go to the shops to buy their bread. Quite a few housewives decided that they were not going to be pushed around and that they would bake their own bread. They were able to purchase the flour but they found, after the first lot of yeast had been bought, that the supplies of this product in Kalgoorlie and Boulder mysteriously dried up. Some of the grocery shops, where yeast was sold, suddenly ran out of stocks—it was no longer on their shelves; in fact, it was unprocurable.

Mr. Court: That does not stop a new baker from getting all the yeast he wants.

Mr. MOIR: I will tell the hon. member all about that in a moment.

Mr. Court: I think you are misinformed because I checked on that one today.

Mr. MOIR: One supplier in Kalgoorlie had his supplies cut off but he was determined that he was not going to be pushed around. He travelled down to the metropolitan area to get further yeast supplies and although he was unsuccessful in most places, he finally obtained a supply from one particular source. He was the only trader in those two cities who had yeast and he advertised the fact in the paper. Anyone who wanted yeast could go along to his shop and buy it.

The fact that there had been a mysterious drying up in the supplies of yeast was brought to the notice of the Eastern Goldfields District Council of the A.L.P. and the secretary of that organisation was asked to make inquiries among the traders who normally sold yeast. He did so and was informed, off the record by one trader, that he had yeast but it had been decided to supply it only to master bakers. He was most mysterious in his explanation of how it came about and he said that it was more than his job was worth to divulge what had taken place. It was pointed out to him that one trader in the town had yeast and he said, "Yes, and they know where he is getting his supplies." He mentioned a firm of ships chandlers at Fremantle and he said, "I think that you will find that his supplies will be cut off very shortly too."

Somebody was good enough to inform the trader about this fact and he let it be known that if that came about, and certain action was taken, he would be

fairly vocal and would let the cat out of the bag regarding a few of the things he knew were going on. So his supplies were not interfered with. But I think we would find that if another baker were to set up in business there with the object of delivering bread, a lot of difficulty would be put in his way.

Mr. Court: I do not think he would find any difficulty at all.

Mr. MOIR: The hon. member is only supposing.

Mr. Court: I am not supposing at all.

Mr. MOIR: I am speaking from experience because I know what happened. There was a concerted attempt to prevent the housewives from baking their own bread. That indicates a degree of compulsion and we hear the member for Nedlands speaking so strongly against it as a rule. The hon. member mentioned that a lot of money was owing to the bakers and that was why they had decided to discontinue bread deliveries.

Mr. Court: I did not say that.

Mr. Evans: The member for Toodyay said it.

Mr. MOIR: There may have been sums of money outstanding but I question the sums mentioned by the hon. member.

Hon. L. Thorn: That was published in the "Kalgoorlie Miner."

Mr. MOIR: I learnt a long while ago, not to believe all that I saw published in the "Kalgoorlie Miner."

Hon. L. Thorn: I thought it was your bible.

Mr. MOIR: No.

Mr. Roberts: The member for Kalgoorlie read a lot out of it the other night.

Mr. MOIR: All sorts of claims were made about the money outstanding, but is it not a simple matter for a trader who deals in a commodity such as bread to say, "No money, no bread."

Hon. L. Thorn: It is very difficult.

Mr. MOIR: I have lived on the Goldfields for years and we always placed a bread tin at the front gate and the necessary money was put in it and a note asking the baker to leave so many loaves of bread. He left that bread and any change that was necessary. It was purely a cash transaction and I know that that happened with nearly all bakers. The same thing could happen next week if the bakers commenced to deliver again. If people do not want to pay cash for bread, they can make other arrangements and go to the shops.

Hon. L. Thorn: What would trades hall in Kalgoorlie say if the bakers refused to give a large working family bread because they did not happen to have the money? They would take a dim view of it.

Mr. MOIR: I do not think trades hall or any other organisation in Kalgoorlie would expect tradespeople to give their goods away and not be paid for them.

Hon. L. Thorn: But they expect consideration under different circumstances.

Mr. MOIR: Knowing the Goldfields as I do, having lived there for years, I will tell the hon. member what would possibly happen: If a family found itself in such unhappy circumstances, there are enough people in Kalgoorlie who would put their hands in their pockets to find the necessary money to buy food for that family. That is often done. We would not expect the tradespeople to carry families like that.

In the course of his speech, the member for Nedlands said he did not like this measure because it imposed compulsion on the traders in this commodity operating on the Goldfields. My answer to him is that these traders did not hesitate to impose compulsion on the users of bread at Kalgoorlie. It probably has more far-reaching effects in a place like the Goldfields than in any other area. Transport is not so good there, being confined to the main roads, and Kalgoorlie is a very spread out area, so housewives would have to walk easily three quarters of a mile in some instances before they were able to obtain bread from some shop.

It could mean their having to leave their young children at home without anybody to look after them while they were away trying to obtain bread. Again, on the Goldfields, people seem to prefer fresh bread—probably more so than anywhere else—because there are so many cribs taken out by the miners who work round the clock in the three shifts that apply in the mines. In a dry climate like the Goldfields, it is difficult to keep bread moist for any length of time.

I am very pleased to see this measure introduced by the Government, and I shall be more pleased to see it passed. Mention was made by one of the members on the other side of the House that it might be difficult in Kalgoorlie and Boulder to obtain the services of bread carters. But that is not so. There is no labour shortage there; there is plenty of labour available which would offer for this type of work.

Then again, I am quite sure that, having taken the steps to deprive people of bread deliveries on the Goldfields, some of the bakers regretted it afterwards. They had entered into an agreement among themselves, however, and they did not want to break that agreement. We have had the spectacle of one or two bakers taking bread in their vans and driving slowly up a street ringing a handbell to induce the housewives

to come out on the footpath and when they did, the bakers would pull up and sell them the bread.

That was akin to making deliveries; but they did not deliver in the accepted sense of the word—they were merely salving their consciences because they did not wish to break the agreement. That was done in only one or two cases, but the majority of bakers have remained adamant and have not delivered bread at all.

Mr. Court: Has any attempt been made to achieve some reconciliation of the position there?

Mr. MOIR: Yes, by quite a few public bodies in the town. Bakers have been approached; conferences have been held with them and all sorts of proposals have been put forward; all to no avail. They could make no impression at all on the master bakers. Both political and non-political bodies have approached the master bakers to try to evolve some scheme, but the master bakers have been adamant and have refused to change their attitude, which has been, "We have decided to do this and we are going to see it through." It did not matter what anybody said.

Mr. Court: Follow my suggestion and get a new baker. It would solve your problems.

Mr. MOIR: I can assure the hon. member that at the time this dispute took place on the Goldfields, it would have been no trouble at all to raise sufficient money to start off a bakery business that would deliver bread. But people knew the set-up and knew they would find themselves involved in all sorts of delays in securing supplies.

What happened in regard to the matter of yeast was a pointer which would discourage them. We know that not many people could make this commodity in the form in which it is used by the bakers. It would not be difficult to tie up supplies. It was rather astonishing to people when the master bakers went to the lengths they did, because it was obvious that soon after this dispute started, supplies of yeast, which were available in the town, suddenly dried up.

Mr. Court: That could have been because of the increased domestic consumption. On your own admission, more people started to make their own bread.

Mr. MOIR: One could understand that so far as the immediate supplies in Kalgoorlie and Boulder were concerned, but I can assure the member for Nedlands that the traders in Kalgoorlie and Boulder are just as wide awake as they are in the metropolitan area. When there is a demand for a commodity, they try to fulfil that demand in ordinary circumstances. Had certain things not taken place, in the ordinary course of events, when that demand was made, they would have renewed their supplies and been glad to sell to

the people in conformity with the other articles of food sold on the Goldfields; and a handsome profit would have been made by selling yeast.

Mr. Court: You are referring to the dry barm type of yeast.

Mr. MOIR: I do not know what sort of barm it is.

Mr. Court: I am referring to a particular type of yeast sold to country storekeepers.

Mr. MOIR: I have never baked bread, so I do not know what sort of yeast they use.

Mr. May: You use baking powder.

Mr. Roberts: Has any recent approach been made to the master bakers in Kalgoorlie to deliver bread?

Mr. MOIR: I know that the different organisations are sick and tired of approaching the master bakers; they gave them away as a very bad job.

The Premier: Have not the master bakers entered into an agreement not to deliver?

Mr. MOIR: Most decidedly. Not only did they enter into an agreement but they also ensured that another baker who was not prepared to enter into the agreement, ceased operating.

Mr. May: They liquidated him.

Mr. MOIR: I cannot say this with any certainty, but I am informed that they paid him a handsome weekly rental for his premises, and he has not operated since.

The Minister for Transport: Big business at its best.

Mr. Court: He must have been glad to get out.

The Minister for Works: Would not you?

Mr. Court: If he had a profitable business, surely the rent of the premises would not have compensated him.

Mr. MOIR: One is in the business for what one can make out of it, and if one is offered a good return for not operating the business, one would jump at it.

Mr. May: Even the member for Nedlands.

Mr. MOIR: Yes, even the member for Nedlands.

Mr. Court: Do you know the rent he was paid?

The SPEAKER: Order!

Mr. MOIR: I have much pleasure in supporting the second reading of the Bill.

MR. ROBERTS (Bunbury) [8.10]: What has amazed me in this debate so far is that we have heard nothing except what is happening in Kalgoorlie and Boulder. If my memory serves me right, in his opening remarks the Minister mentioned that the amending legislation provided

the requisite machinery for the enforcement of bread delivery. He did not say that the enforcement of those bread deliveries was to be only in Kalgoorlie and Boulder. If this legislation is agreed to by Parliament, it will cover the whole State. As far as my electorate is concerned, we are fortunate inasmuch as bread is delivered. I am opposed to this measure for practically the same reasons as advanced by the member for Nedlands—because it is compelling a certain section of the community to do something, irrespective of whether it is economically sound to do so or not.

Mr. Evans: What about the other section?

Mr. ROBERTS: I feel it is wrong to force anybody to do anything that will not pay them.

Mr. May: Why is it economical in Bunbury and not in Kalgoorlie?

Mr. ROBERTS: It is up to the bakers in Kalgoorlie to decide whether it is economical. Whether or not the costs are high in Kalgoorlie, I cannot say. I do know that petrol costs in Kalgoorlie are higher than those in Bunbury; but that is only for argument sake. We could, however, go to extremes in this matter and say that hotelkeepers should be forced to deliver a gallon of beer to various householders.

Mr. May: A good idea, too.

Mr. ROBERTS: We could even go so far as to say that the Minister for Railways should be forced to continue the operations of uneconomic railway lines. It is wrong in principle to force anybody to do anything that is uneconomic. If there is a profit in the delivery of bread, members can be sure that somebody will soon start a business and deliver bread.

Mr. Evans: If he is able to.

Mr. ROBERTS: This Bill appears to have been introduced for the express purpose of obtaining bread deliveries in Kalgoorlie and Boulder. There are other places in this State in which bread deliveries would be uneconomical.

Mr. May: Where?

Mr. ROBERTS: The member for Collie knows full well. There are many centres in the South-West—small hamlets in the South-West—that do not have bread deliveries because it is uneconomic. With those few remarks, I conclude by saying that I disagree with compulsion of any sort. To compel anybody to deliver a commodity when it is uneconomic is wrong in principle. I oppose the second reading of the Bill.

MR. ROSS HUTCHINSON (Cottesloe) [8.14]: This little Bill is one which seems to have particular regard for the Goldfields, and it may be thought that only those members who represent that region should pay any attention to it. That, of

course, is not so. There are much broader spheres than that relative to this Bill. Like the member for Nedlands, I do not appreciate the element of compulsion, under which the baker is compelled to serve the customer.

The Minister for Works: Do you believe in hotelkeepers being compelled to serve meals?

Mr. ROSS HUTCHINSON: That is not in the least comparable.

The Minister for Works: Oh, yes it is! It is compulsion.

The SPEAKER: Order! The member for Cottesloe should be allowed to state his case. He has full protection now; he comes under my wing.

The Premier: Under your left wing!

The SPEAKER: Order!

Mr. ROSS HUTCHINSON: The Minister for Works in bringing up that point about compulsion knows that it has nothing to do with this Bill.

The Minister for Works: You said you were against compulsion.

Mr. ROSS HUTCHINSON: The Minister is out of order. He knows he is wrong. The only reason those people get a licence is because they will carry out the terms of the licence, but with bakers it is entirely different. Mention has been made of other trades people perhaps being brought under this particular compulsion that we dislike so much on this side of the House, and I say this despite the rude remark of the Premier.

Hon. Sir Röss McLarty: I hope it does not appear in Hansard.

Mr. ROSS HUTCHINSON: About three years ago, the butcher shops of Kalgoorlie were really in strife because of the imposition of price control and because price control on the fields was applied to the letter of the law, whereas in other regions of the State it was rather loosely applied. I can remember these butchers going out of business, and no doubt people who lived on the fields at that time and at present can bear out my remarks in that regard.

The butchers were not able to make a living under price control and it would appear to me that if this Bill is enforced and bakers are made to deliver bread at an uneconomic price, they will be forced out of existence through their inability to make a living. Of course, like the members for Boulder and Kalgoorlie, I think it highly desirable that bakers should deliver bread. I believe that wherever possible they should; but for heaven's sake, let it be at a figure which will give them a reasonable return for their labour. No one should deny them that.

Mr. Evans: We are not.

Mr. ROSS HUTCHINSON: That is their contention and it is borne out by figures which no one has disproved; they cannot make a go of it at present prices, which are laid down by the Wheat Prices Fixation Committee. That is the simple economics of the situation. If they are able to deliver and make a go of it, fair enough; but the reason they are taking this step is because of the costs involved.

Mr. Evans: Why did they try to solve this by agreeing to zoning?

Mr. ROSS HUTCHINSON: It would appear to me that the hon. member who has just interjected probably knows far more about the details of the situation than I do, and he may be right to a very great extent in what he says, but it does seem that conciliatory and arbitration methods have been sadly lacking in this business. It appears as if the people of Kalgoorlie expect the price of bread to remain the same as it is while expecting deliveries just the same.

Mr. Evans: Rubbish!

The SPEAKER: Order!

Mr. ROSS HUTCHINSON: If the member for Kalgoorlie will deal in rubbish, he will know better than—

The SPEAKER: Order! I must ask the member for Kalgoorlie to keep order.

Mr. ROSS HUTCHINSON: It does not take a great economist to realise that a baker or any tradesman who must deliver his article of goods, or whatever he deals in, is faced with very severe costs—costs of deliveries, salaries and wages. In the first place they have the cost of either a horse or a motor-vehicle, as well as workers' compensation and the like, and it is undoubted that these costs add considerably to the cost of a loaf of bread.

The Minister for Labour: Do you believe in compulsory payments for workers' compensation?

Mr. ROSS HUTCHINSON: I am talking about compulsion in making a baker deliver bread.

The Minister for Transport: Why don't you tell us?

Mr. Marshall: Do you suggest an increase in the price of bread would solve the position?

Mr. ROSS HUTCHINSON: I would mention again that I hope Kalgoorlie will not reach the stage it did with regard to price control on meat some three years ago when, as I said, the butchers of that region were driven to absolute desperation. When they came down to the city to give evidence before a select committee, several spoke with tears in their eyes, simply and sincerely, about the difficulties with which they were confronted under price control.

Mr. May: They had need to cry.

Mr. ROSS HUTCHINSON: I may have felt as did the member for Collie; the Minister for Labour will bear me out in that regard.

The Minister for Labour: No, I won't.

The Minister for Works: Those butchers were crying for the customers.

Mr. ROSS HUTCHINSON: That is rather a facetious interjection from the Minister for Works.

Mr. Moir: Was that after they were prosecuted for overcharging?

Mr. ROSS HUTCHINSON: I can only deal with one interjection at a time. The Premier is muttering. If he would speak, up, I could have a go at him.

Hon. Sir Ross McLarty: He has been doing a lot of muttering.

Mr. ROSS HUTCHINSON: He has already made one interjection which I hope Hansard has not got. I would like the Premier to repeat it.

The Premier: What was it?

Mr. ROSS HUTCHINSON: The Premier knows what it was.

The Premier: I think the hon. member is romancing.

Mr. ROSS HUTCHINSON: The Premier knows very well to what I am referring and I dislike his practice of muttering in his beard and trying to get interjections into Hansard which I cannot pick up.

The Premier: I will get my beard cut off.

Mr. ROSS HUTCHINSON: It is quite impossible for me these days to get any interjections into Hansard at all. I feel sad about anybody else getting them in.

Mr. Johnson: There is too much rot in Hansard, anyway.

Hon. Sir Ross McLarty: You contribute a bit.

The SPEAKER: Order!

Mr. ROSS HUTCHINSON: I would not have held the House up for this length had it not been for the interjections of the Government members opposite. I trust this Bill will be defeated. The element of compulsion is foreign to our way of thinking and ideals on this side of the House, whilst not foreign to the Government benches. I oppose the Bill and trust it will be thrown out.

THE MINISTER FOR LABOUR (Hon. W. Hegney—Mt. Hawthorn—in reply) [8.24]: I would just say a few brief words as I do not think there is anything of substance to which I should reply. In the first place, I shall deal with the remarks of the member for Cottesloe in regard to compulsion. It may be necessary to introduce a regulation as the Bill implies, but the member for Cottesloe made reference to one factor and that was the cost

to industry for workers' compensation premiums paid by employers. Those premiums are paid by bakers as a legitimate charge.

Mr. Court: It is a different sort of compulsion.

THE MINISTER FOR LABOUR: The member for Nedlands adopts a frustrating attitude to every Bill which the Government introduces.

Mr. Court: Do you believe in directing a man to work?

THE MINISTER FOR LABOUR: I believe if we were to introduce a Bill with the provision that under no circumstances should bakers be compelled to deliver bread, the member for Nedlands would say they should deliver bread, and he would be backed up by the member for Cottesloe.

Mr. Court: Do you believe in direction of labour?

THE MINISTER FOR LABOUR: Workers' compensation is a compulsory factor in the life of this community, which is the same as driving a vehicle down the road. Does the member for Nedlands suggest one should not get on the left of the white line? I am pleased that the member for Toodyay has adopted a realistic attitude.

The Premier: He is progressive.

THE MINISTER FOR LABOUR: He held the office I now hold and knows some of the difficulties that arise, and he made a sound contribution to the debate.

Mr. Court: Did he support the Bill?

THE MINISTER FOR LABOUR: He did in principle.

Mr. Court: You read his speech.

THE MINISTER FOR LABOUR: He said the Government was to be given credit for having a little realism towards this industry. In my second reading speech I instanced Kalgoorlie as an example. If this Bill is passed, the Government is not going to run around prescribing areas all over the State in five minutes, but it is the most equitable way to have the legislation passed. I make no apology for saying that if, after due investigation at Kalgoorlie or Boulder, circumstances warrant the Government taking action to proclaim an area in which bread is to be delivered in the interests of consumers, the necessary proclamation will be issued.

Then again, the member for Nedlands said this will have a snowball effect and people in other areas will want it. If the circumstances of the particular cases, whether it be Albany, Toodyay or somewhere else, suggest that a prescribed area should be proclaimed, there is nothing wrong with that, provided investigations find it to be reasonable. However, the

Government is not going to set out prescribed areas from Wyndham to Esperance overnight; it will deal with the merits of each case.

I would like to mention in regard to the Wheat Products Prices Fixation Committee that it is the authority that fixes the price of bread, and makes periodical investigations and has regard to the price of flour, delivery charges and other costs involved in the industry.

Mr. Ross Hutchinson: So did the Prices Branch.

The MINISTER FOR LABOUR: I have no recollection of any butchers crying on my shoulder or butchers from Kalgoorlie when I was a member of a select committee. On the contrary, no butchers went broke in Kalgoorlie or anywhere else. This Bill has been introduced to deal with a situation and the Government believes it is necessary to have it on the statute book. Therefore, if it is found advisable to implement regulations to have bread delivered, the necessary action can be taken.

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

Ayes	28
Noes	12
Majority for	16

Ayes.

Mr. Cornell	Mr. Moir
Mr. Evans	Mr. Nalder
Mr. Gaff	Mr. Norton
Mr. Graham	Mr. O'Brien
Mr. Hall	Mr. Owen
Mr. Hawke	Mr. Potter
Mr. W. Hegney	Mr. Rhatigan
Mr. Hoar	Mr. Rodoreda
Mr. Jamieson	Mr. Sewell
Mr. Johnson	Mr. Sleeman
Mr. Lapham	Mr. Thorn
Mr. Lawrence	Mr. Tonkin
Mr. Marshall	Mr. Watts
Mr. May	Mr. Toms

(Teller.)

Noes.

Mr. Ackland	Mr. W. Manning
Mr. Boveil	Sir Ross McLarty
Mr. Court	Mr. Oldfield
Mr. Graydon	Mr. Perkins
Mr. Hearman	Mr. Wild
Mr. I. Manning	Mr. Hutchinson

(Teller.)

Question thus passed.

Bill read a second time.

In Committee.

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

Clauses 1 and 2—agreed to.

Clause 3—Section 17B added:

Mr. COURT: I think the Minister owes it to the Committee to give us some demonstration as to what he considers to be a reasonable distance and in what quantities he would expect a baker to deliver bread. In the appropriate part of the clause it says that the baker shall sell to a person and shall deliver, or cause to be delivered

to that person, within such hours and within such distance of the bakehouse, as the regulations prescribe.

Of course, I am not going to suggest the Minister in charge would be so indifferent as to permit hours to be prescribed which were outside the present statutory hours and the present award hours. We can dismiss the possibility of a regulation as being as impracticable as that. But I can visualise a situation where the regulation prescribed would be unreasonable as regards quantity and distance from an economic point of view. Surely, in framing the legislation, the Minister has conceived a set of circumstances under which he would prescribe the area and the distance and the quantities he would expect to include in that regulation.

Mr. ROSS HUTCHINSON: I oppose the clause and I would make a comparison between this form of control and that which operated some three years ago when there was a select committee appointed to inquire into meat supplies in this State. In the report of that select committee—

The CHAIRMAN: I think the hon. member would be better off to stick to the subject of bread.

Mr. ROSS HUTCHINSON: I am trying to compare the two forms of control over bread and meat with regard to the Kalgoorlie district. The select committee found that—

All witnesses except the prices commissioner have also agreed that price control of meat is ineffective in most areas and in the only part of the State where it was effectively enforced meat supplies decreased seriously and the area, the Eastern Goldfields, is receiving less than 40 per cent. of its meat requirements through butchers' shops.

That was the effect of price control on meat.

Members: This is not price control.

Mr. ROSS HUTCHINSON: This has a great deal to do with price control. It could control the price of bread to an extent where the baker could not make a go of it. He must produce his bread and deliver it at the price which the wheat products committee allows. I am trying to point out that this provision will drive the bakers into some sort of position in which butchers found themselves some three years ago.

Mr. Moir: The price of bread is controlled now.

Mr. ROSS HUTCHINSON: That is the position which applies under this clause. The Minister was one of a select committee appointed to inquire into that matter and he subscribed to the views which appeared in the report. So did Mr. Styants, who was then the member for Kalgoorlie.

Hon. L. THORN: I agree with the member for Nedlands that the Minister should give us some explanation of the clause and its application. I mentioned that on the second reading. The attitude I took was that the master bakers stopped deliveries in Kalgoorlie, and I did not agree with that. Kalgoorlie has had bread deliveries over the years and should continue to have them. But in correcting the position, it was necessary—and I do not think it could have been done in any other way—for the Minister to amend the Act, which makes it apply to the whole of the State.

This is a very widespread clause, and it would have to be used with great care and discretion. I would like the Minister to assure us that it will be so used. There is a tremendous amount of verbiage in the provision, which can be seen if members read on from where the member for Nedlands finished. There is a lot of packing in it, and I would like some assurance from the Minister as to the way the clause will operate. It would be most unreasonable to ask anyone in a country town to deliver bread in a case where it would be uneconomic. No one wants that. Yet that is what could be done. It is entirely in the hands of the Minister as to how the clause operates.

The MINISTER FOR LABOUR: I am indebted to the member for Toodyay for his inquiry, which is something similar to that of the member for Nedlands. I think that both of them will realise that I could not be expected to give a general outline as to what the regulation will contain. It is true that the prescribed area will apply to the whole of the State. But, for a start, all areas north of the 26th parallel have peculiar circumstances. We come now to the position in a particular area. We will assume as an example that bread deliveries ceased in the metropolitan area tomorrow. I am sure that they will not, and it is the policy of the metropolitan master bakers to provide for deliveries.

But by way of illustration, we will not use Kalgoorlie but the metropolitan area. I suggest that the circumstances will be practically the same the day after this Bill passes. In a general way I would say that the prescribed area would be the area that is being provided with delivery by the bakers on the day before they ceased delivery. That is logical enough.

Let us take Kalgoorlie, and assume that it is to be regarded as a prescribed area. It would not be suggested that the regulation will provide that deliveries should be made by a Kalgoorlie baker to Laverton or Wiluna or Mt. Malcolm. If I had to draft a regulation, I would make inquiries first and find out what was a reasonable and fair area to proclaim as the prescribed area, and ascertain the circumstances and the practice prior to the cessation of deliveries, and have a regulation framed on that basis.

I would not be prepared to deal with particular cases until they arise, and in dealing with matters such as this it is necessary sometimes to be a little more verbose than usual. I think "reasonable intervals" and "reasonable quantities" would be the intervals and quantities applying at present in a particular area. There is reason in all things and due inquiry would be made in each case.

Mr. COURT: The Minister has evaded or avoided the issue placed before him. The measure contains provision that the demand can be oral or in writing and by any person and it says that the baker shall sell and deliver bread to that person. Will the Minister give an assurance that when considering regulations under this measure, he will not agree to a regulation which calls on a baker to deliver bread to an isolated person at a distance of perhaps three or five miles?

The Minister for Labour: That is just being ridiculous.

Mr. COURT: Will the Minister give that assurance?

The Minister for Labour: I have already done so.

Mr. COURT: That is not so. Will the Minister insist that the distance is reasonable and economic?

The Minister for Labour: Yes.

Mr. ACKLAND: There are 12 towns in my electorate in each of which there are 100 or more residents and I think that only in Moora would it pay a baker to deliver bread. I understand that there are two towns of those mentioned where deliveries are made but in the second case I do not think the delivery can possibly pay. Under this measure, would the Minister have the right to force a baker in a small country town to deliver bread to all persons who orally or in writing demanded him to do so? If the answer is "Yes," the Bill is tommyrot because it would make baking unprofitable. I oppose the clause, because under it the Minister might do anything.

The MINISTER FOR LABOUR: The member for Moore said I might do anything, but I read and understand a measure before introducing it. Had he read the back page of the Bill, he would not have made such an asinine remark. There is no delivery unless the area is prescribed.

Mr. Ackland: But you could prescribe an area.

The MINISTER FOR LABOUR: There would be no enforced delivery unless an area was prescribed. Would anyone prescribe an area in which there were 50 or 100 widely scattered residents? Would the hon. member do so?

Mr. Ackland: I would not introduce such a stupid Bill.

The MINISTER FOR LABOUR: Many other members of the same party do not think the Bill is stupid.

Mr. Ross Hutchinson: That does not prevent him from thinking it.

The MINISTER FOR LABOUR: It shows he has not given the Bill much consideration. Members opposing the measure should give its supporters and more particularly the Government the credit they would expect if they were trying to implement such a measure. If the Bill is passed, each case will be decided only after full inquiry.

Hon. A. F. WATTS: I agree with the member for Nedlands that Subclause (2) of Clause 3 is vague and unsatisfactory and I think it would be better if it said that where a baker uses in a prescribed area a bakehouse, he shall be required to sell bread in that area and deliver bread in that area, rather than that we should have the baker subject to this oral or written request and the necessity to deliver to the person concerned. I do not suppose the Minister intends to declare separate areas for each baker in a large township, because that is not part of the Bill and therefore he is obviously going to prescribe the whole area as one in which all the bakers trading there shall deliver, and in that case I think provision that he will sell to any person and deliver to any person who was his customer would be sufficient.

Clause put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

Third Reading.

Bill read a third time and transmitted to the Council.

BILL—CITY OF PERTH ACT AMENDMENT.

Second Reading.

Debate resumed from the 30th November.

MR. COURT (Nedlands) [8.55]: This Bill seeks to remove two anomalies from the City of Perth Act. It is a desirable measure and the explanation given by the Minister, together with the file which he has made available to me, make it clear that the anomalies should be corrected, in the one case in the interests of the landowner and in the other case in the interests of the smooth working of the council. I 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.

Bill read a third time and transmitted to the Council.

BILL—LAND AND INCOME TAX ASSESSMENT ACT AMENDMENT.

Second Reading.

Debate resumed from the 22nd November.

HON. SIR ROSS McLARTY (Murray) [8.58]: This Bill is causing great interest throughout the length and breadth of the State because, as indicated by the Treasurer, it will take at least another £1,000,000 from the property-owners of Western Australia and all land will be taxed. We have been free from tax on improved agricultural land in Western Australia for the past 25 years but the tax sought under this measure is higher than what we ever experienced previously and the fact that it is estimated to bring in £1,000,000 per annum should indicate clearly to members the severity of the measure.

I have received numerous letters, telegrams and telephone calls in relation to the Bill. There are three measures, as members know, but the one which repeals the vermin tax I do not propose to deal with at present, although I will do so later, because I feel that the repeal of that tax is not in the interests of the farming community generally, and I do not think they are getting a fair deal as far as the repeal is concerned. I will explain later why I have expressed those views.

First of all I propose to read several letters I have received from different organisations throughout the State and to which I will speak as I proceed. The first letter is from the Farmers' Union dated the 27th November, 1956. It is addressed to me and it reads as follows:—

It is desired to advise you, in the hope that the Opposition parties will support our attitude, that this union strongly opposes the amendment proposed by the Government in respect of the land tax legislation. Apart from the proposed tax being particularly sectional in respect of primary producers, they will lose their present 50 per cent. tax concession in addition to suffering the added penalty to be borne by others covered by the tax.

We view the proposed tax as being sectional in respect of farmers because of their inability to recover it as part of their costs of production the same as can be done by commercial firms who, because of increased overheads, can justifiably increase their prices. In this respect the primary

producer is not only meeting his own direct added cost, but is forced to contribute in addition to a share of tax passed on to him by others, through the medium of his normal purchases of productive goods.

We are of the opinion that the legislative action proposed by the Government is contrary to action taken by the Premier in his efforts to stimulate increased production of Western Australian goods and support of local industry, as it will inevitably result in increased cost of production generally.

In view of the foregoing, it is obvious that our objection to the proposed amendment to the Vermin Act is automatic.

That letter is signed by Mr. A. G. Traine, the general secretary of the Farmers' Union of Western Australia.

I now want to read a letter—and I regret I have to read so much of this—that I received from the chairman of the Commercial Travellers' Club. This is a copy of a letter which was sent to me but the original was addressed to the Treasurer—

At a meeting held on Friday, 23rd November, 1956, by representatives of the following clubs—

Commercial Travellers' Association Club,

West Australian Club,

Tattersalls Club,

Celtic Club,

considerable concern was expressed with the impact that the proposed new rate of land tax, as published in Friday's "West Australian" would have on the finances of these clubs.

For example, under the new proposals, the State Land Tax payable by the Commercial Travellers' Club would be £3,246 as compared with the existing tax of £664. The other clubs are in much the same position.

As you are aware, our clubs are not carried on for pecuniary profit and we would urge your consideration to granting some relief.

As the proposals contained in the legislation now before Parliament are apparently designed to bring the State land tax into line with the very high rates of Federal land tax—which was repealed a few years ago—we feel sure you will agree that our clubs should be exempted in the same manner as they were under Subsection (1) (g) (3) and Subsections (2) and (3) of Section 13 of the Commonwealth Land Tax Assessment Act, 1910-1947. We may mention that a similar exemption has been granted to clubs in the Land Tax Act as enacted last month by the Parliament of New South Wales.

The substance of the aforesaid provisions in the Commonwealth Act is that the land shall be wholly exempt when the building on it is owned by and solely occupied by a society, club or association not carried on for pecuniary profit and that when a portion of the building is let to outside tenants the exemption is reduced proportionately.

We trust you will give these representations your most favourable consideration, and that the Bill now before Parliament will be amended in the desired manner.

That was signed by W. A. Garland, the chairman of that club.

Next I wish to quote a letter which I received from the Diocesan Registrar from the church office in Cathedral Avenue and the figures referred to by him, to say the least of it, are alarming. He writes on behalf of the Church of England and this is what he says—

As you can appreciate, all the churches in Western Australia are seriously alarmed at the Premier's proposal to increase State land tax to such an inordinate degree. In the case of the Church of England our rate is, I understand, to be increased from 1½d. to 10d. in the pound.

There is a mistake there, of course; it is not 10d. in the £, but 8d. Continuing—

To apply such increase to a particular property I cite our big "Tivoli Garage—Cloisters" property in St. George's Terrace and Hay-st. This property, it is important to point out, is held under a trust requiring the proceeds to be used solely for schools, and this trust was imposed not by the Church, but by Parliament itself.

At the moment the property is enjoying a better return than ever before, which return is at present approximately 3 per cent. net on its value. The net return amounts to approximately £8,000 a year, and the increased land tax alone will amount to £8,931 thus completely absorbing any income from this property, and so preventing us applying it to educational purposes as Parliament intended.

We need hardly point out to you, sir, that properties of this nature are invariably under lease, which means rents cannot be altered during the currency of the lease and, as you will know, State land tax cannot be passed on to the tenant.

If you can secure some amelioration of this threatened impost it will be appreciated, and I draw your particular attention to the exemption enjoyed in Victoria as recited in my letter to the Premier, a copy of which is enclosed for your information.

I will now read a letter sent to me—a copy of which was also sent to the Treasurer—from the trustees of Wesley Church, Perth. It is signed by R. Allingham, as trust executive for the trustees of that church and this is what it says—

Bill for an Act to amend the Land Tax Act 1948.

It is understood from the Bill that the Trustees of Wesley Church could be charged land tax on all land except that on which the church actually stands, at rates which would involve a colossal increase on the amount which we now pay.

On the valuations of land on which we are assessed, we have, for a year or so, paid £1,549 18s. 11d. whereas under the proposed rate we would be liable for £9,044 13s. 4d.

It is understood that under the Victorian Act exemption is granted as quoted—

“Land is exempted from tax if used exclusively for charitable or religious institution, used for other purposes, the proceeds of which are devoted solely to religious, charitable or education purposes.”

We wish to point out that the land held by us complies fully with the provisions of this exemption.

The gross revenue from our tenanted premises is applied as to:

- (1) General expenses including land tax, municipal and water rates.
- (2) Interest on money borrowed on mortgage for the erection of buildings, and a gradual reduction of such mortgage.
- (3) Grants to various church activities, all of which are definitely religious or charitable, e.g., Central Methodist Mission, Methodist Children's Homes, and the extension of church work in new areas. These and many other activities are non-profit making and contribute to the religious life and the welfare of people in need of such help.

The proposed tax increase will have the effect of wiping out our ability to make any such grants in future, as the amounts available for such are much less than the increased (proposed) tax, and as we cannot increase our revenue for some time, the effect will be not only that we cannot help worthy causes, but that our early future needs for finance to improve our property in keeping with the development of the city will be very seriously jeopardised.

We were exempt from Federal land tax and shall be pleased if you can give us exemption under your Act, as

otherwise burdens will be thrown on causes which are of great value to the community.

As I have said, I have received numerous letters from people complaining of the hardship that this tax is going to inflict on them. There is no doubt in the wide world that certain people, under the provisions of this Bill, are going to suffer very severely indeed. I could give members further indications of what is happening and the effect that the introduction of this Bill has had on certain people. I have had so much correspondence and so many telephone calls that I have not been able to keep up with them and with the number of people that have called to see me. I will now give members some idea how this increased land tax will affect the people of this State.

The following are examples of the comparison between the old and the new rates of State land tax on unimproved land:—

Unimproved Value.	Old Land Tax 1½d. in £	Proposed Land Tax 2d. to 8d. in £ over £60,000	
		£ s. d.	£ s. d.
500	2 12 1	4 3 4	
1,000	5 4 2	8 6 8	
5,000	26 0 10	41 13 4	
10,000	52 1 8	83 6 8	

And now we approach those values which relate mainly to city properties. They would affect those properties to a greater extent than they would country properties. The old and the new rates of land tax on values of £20,000 and over are as follows:—

	£ s. d.	£ s. d.
20,000	104 3 4	208 6 8
30,000	156 5 0	375 0 0
40,000	208 6 8	583 6 8

On £50,000, the present tax is £260 8s. 4d., and the increase is to £833 6s. 8d. On a £60,000 valuation, the tax is £312 10s. and the increase is to £1,125. On a £70,000 property the tax is £364 11s. 8d. and the proposed increase is to £1,458 6s. 8d. I shall skip over some of the other valuations. Let us take a valuation of £100,000; the present tax is £520 16s. 8d. and the proposed increase is to £2,458 6s. 8d. Going to a valuation of £180,000, the present tax is £833 6s. 8d. and the proposed increase is to £4,458 6s. 8d.

Going to the big city properties, and there are a number of them with frontages to two streets, it is just as well to let members know what the increased tax will be and they can work out what the increased costs generally will amount to. On a valuation of £200,000 the present tax is £1,041 13s. 4d. and the proposed tax is £5,791 13s. 4d. On a valuation of £250,000, the present tax is £1,302 1s. 8d. and the proposed tax is £7,458 6s. 8d.

The figures which I have quoted will give some indication of the severity of this tax. I anticipated that the Treasurer

would introduce a land tax to be levied on improved land. I told the people during the election campaign that I had no doubt the Government would do this, but the Treasurer made no mention of this tax in that campaign.

I have taken some extracts from speeches that were made when the tax on improved agricultural land was repealed during the term of the Mitchell Government. The then Leader of the Opposition the late Hon. Phillip Collier had this to say when speaking on that particular Bill—

Nothing is so conducive to the creating of unemployment than is heavy taxation, for the money we take from the people by taxation would otherwise go towards extending or increasing business and so providing employment; whereas money taken away by taxation leaves so much less for employment. Increased taxation, wherever it is possible to avoid it, should not be undertaken.

We have got away from those high ideals during this session of Parliament, because the Government has imposed taxation which will take £2,000,000 a year from the people of this State in addition to the heavy additional charges that have been made. The late Sir James Mitchell, who was the Premier, had this to say—

About 40 per cent. of the total income of the people is taken from them through Federal taxation, State taxation and local rates.

One of the then members of the Opposition queried this remark, but that statement was repeated as being factual. That reference can be found on page 4829 of Hansard of the 27th October, 1931.

I have said before, and I repeat, that from a practical viewpoint, or even from a scientific viewpoint, very little consideration is given as to how people shall be taxed and the effect that taxation will have on them, and the other avenues in which they are taxed other than by Governments.

In reality, the tax proposed under this Bill is a capital levy. It is inescapable by every landowner and must be taken into account in arriving at the cost of production. I reiterate that the tax will strike most heavily on owners of city properties because they are of so much greater value. In the next Bill I shall give examples of the tremendous increase which a number of institutions in the city will have to face up to as a result of this tax.

The Treasurer: That hardly proves the claim of the Farmers' Union.

Hon. Sir ROSS McLARTY: The Farmers' Union say this: Farmers now face a tax on improved agricultural land. They say that this tax will be passed on through the machinery and other firms with which they deal, but the farmers will

still have to sell their produce on the open market. In regard to the great exportable produce, they have no option but to sell on the open market. One never knows from year to year how the prices for primary products will fluctuate. At the present time we are in a rather fortunate position. Our wheat is moving pretty freely and wool prices are firm. That, however, is due to the present international situation and if that situation should alter there could be a drop in the prices of both wheat and wool.

Mr. Bovell: The dairying industry is not enjoying such an affluent position.

Hon. Sir ROSS McLARTY: I suppose the Treasurer has noted in this morning's newspaper that the pastoral industry has to face a further impost in the fact that 13s. 9d. has been added to the shearing costs. Let me say something about the land tax. Members should not forget that local authorities are dependent upon land tax for their revenue, but they may say that local authorities are getting a great deal of revenue from motor licences. That is true, but the basic revenue is derived from land tax.

We also know that because of the very greatly increased valuations that are being placed on land and which have been accepted by a number of local authorities, the rates which farmers have to pay to local authorities are increasing very considerably. In addition to the general rate, there is the loan rate, the vermin rate, the drainage rate, the health rate and so on.

The other evening the Treasurer said that the Government has given very close consideration to the best steps to be taken to bring under control and within manageable proportions, the difference between anticipated expenditure and revenue. I wish he had expanded a bit and told us what he had done, because, to be perfectly candid, I cannot see anything else when looking into the future than further increased taxes and charges. Once this tax is agreed to, it can be raised from time to time.

The Treasurer: Only by Parliament.

Hon. Sir ROSS McLARTY: That is so, but, as the Treasurer knows, we have had the experience during this session of seeing £2,000,000 per year being raised by additional taxation. I can quote the Treasurer as saying that more was to come, but I can hardly believe that at this stage of the session, more is to come.

The Treasurer: This is the last.

Hon. Sir ROSS McLARTY: Members will draw some comfort from that remark. Let me repeat so that there can be no mistake; the Treasurer has announced that this will be the last taxation measure to be introduced this session. Let us see what the Treasurer said about rail freights. He told us that if we did not accept the taxation proposals of the Government, rail freight

increases would be inevitable. I am not quoting him word for word, but that was the import of his remarks. The member for Nedlands asked him, "For how long would this assurance prevail?" The Treasurer replied, "I hope permanently." The member for Nedlands then asked, "Could you quote a minimum period?" to which the Treasurer replied, "I can quote a minimum period of 12 months." I thought that was a rather remarkable statement. In one breath the Treasurer said, "I hope permanently."

The Treasurer: I still do.

Hon. Sir ROSS McLARTY: Then when asked for a minimum period he said, "Twelve months."

The Treasurer: That is right.

Hon. Sir ROSS McLARTY: Twelve months is not at all reassuring. As I prophesied correctly during the election campaign that the Treasurer would introduce this tax to increase probate duty and other charges, I likewise forecast that in 12 months' time, the Treasurer will increase rail freights.

The Treasurer: I hope not.

Hon. Sir ROSS McLARTY: So do we all, but I forecast that he will do so.

The Treasurer: The railways are so far doing much better this financial year.

Hon. Sir ROSS McLARTY: They need to do better. I prefer to deal with the position of trading firms in the next Bill. Whatever the tax is, they will have to carry on. I am convinced of this fact: In a number of cases this tax will mean all the difference between profit and loss. No doubt the Treasurer has delved into this matter pretty thoroughly, and I would like to know his views. I gave some quotations from his speeches this evening. I say again that this tax, in a number of cases, will mean all the difference between profit and loss. The firms cannot transfer to somewhere else; they cannot go to somewhere else where land is cheaper. There is no prospect of their doing that. Under this tax, they will have to face the distinct possibility that valuations will be increased from time to time and pretty frequently, and they will be involved in higher taxation all the time.

The Treasurer: Would not this tax be an allowable business deduction?

Hon. Sir ROSS McLARTY: It is an allowable deduction from income. It is a penalty on persons who own or who are trying to buy their own homes. Today much is said about home-ownership, but certainly this tax will hit the home-owners. People living in a Government rental home will not have to pay this tax, whereas a person building or living in his own home will be surprised at the amount of tax he will have to pay under this proposal. There is a provision in the Bill that those

who would pay £1 or less will not be asked to pay. Of course, that amount is not worth collecting. Who will pay £1 or less? Extremely few people. It would be a poor property on which an amount of only £1 would be required under this measure.

I am concerned that at the present time there is a revaluation going on throughout the metropolitan area and this will affect all rates under this measure as well as all local government rates and water rates. The Treasurer told us that the total revenue of the Government is not increasing to anywhere near the expenditure side. I agree that that is a most disturbing statement. I know from considerable experience that, even if the Treasurer gets all this taxation which he wants, there will still be a considerable gap.

An interesting reference to the pay-roll tax was made by the Treasurer. He said that the State Government was paying over £1,000,000 a year to the Commonwealth by way of this tax. On behalf of the Opposition, I say to the Treasurer that I would be prepared to go with him to the Prime Minister and the Commonwealth Treasurer and urge that this tax should, so far as the State Government is concerned be abolished.

Mr. Bovell: Not only the State Government.

Hon. Sir ROSS McLARTY: It is not a popular tax in any direction.

Mr. Court: It is not a fair tax, either.

Hon. Sir ROSS McLARTY: I suppose that when any tax is introduced, quite a number of people do not think it is fair.

Mr. Court: It is like land tax; you pay it whether you make a profit or a loss, and the more you do to build up employment, the more you pay.

Hon. Sir ROSS McLARTY: I, and those associated with me, have considerable sympathy for the Treasurer in this respect. As I say, I would be glad to go with him to the Prime Minister and the Commonwealth Treasurer and ask that the States be relieved of this tax.

The Treasurer: We will try to organise a deputation of all the Premiers and all the Leaders of the Opposition, to the Prime Minister and the Commonwealth Treasurer.

Hon. Sir ROSS McLARTY: I think the Treasurer would be justified in doing that. I know the tax is imposed by the Commonwealth Government but I do not think it is a just tax and as far as the State Governments are concerned—I am only speaking for Governments at the present time—I believe it should be abolished.

Mr. Bovell: Altogether.

Hon. Sir ROSS McLARTY: I had better stick to what I have said, namely, that I would be prepared to make representations for the abolition of the tax so far as the State Governments are concerned.

Mr Bovell: The member for Nedlands and I can follow on with a deputation for it to be abolished altogether.

Hon. Sir ROSS McLARTY: The Treasurer said that only a limited number of fields of taxation were open to the State. I think they have been very fully exploited. A few days ago I was talking to a gentleman who was complaining bitterly about taxation. He said, "What is there that is not taxed today? Not a thing. What can you mention that is not taxed?" He went on to tell me, when talking about British history, that at one time windows were taxed in that country. I implored him not to tell the Treasurer because he was making such a thorough search of all avenues in which to impose taxation that I did not want any more new ideas put into his head.

The Treasurer: Did the Leader of the Opposition say "widows" or "windows"?

Hon. Sir ROSS McLARTY: I said "windows." If the Treasurer is thinking of a tax in that direction, perhaps he might think of one on bachelors.

Mr. Bovell: I thought you were a friend of mine.

Hon. Sir ROSS McLARTY: The Treasurer also said that generally the position of the farming industry, and those engaged in it, was exceptionally good. Well, generally speaking, I think the farming industry is in a reasonably good position, but there is no question that the rate of cost-increase is going up pretty rapidly, and it is difficult for primary producers to do anything about it. It could be that with any fall in the price of our exportable commodities, the margin could be very narrow.

As I say, primary producers will be asked to pay a land tax. Not only will they have to pay this tax to the State Government, but they will also have to pay local authority taxes, income tax, which we all pay, vermin tax, drainage rates, taxes on motor-vehicles—whatever they might be—general loan rate, health rate and licence fees on tractors and trucks. I do not want to weary members by reciting a long list of the taxes they will have to meet, but these are a few that they are already paying. The Treasurer said that this tax should have been introduced 15 or 16 years ago and the fact that it was not reimposed at that time means that the farmers have been subsidised by the Government. I can only say that I am glad that there was a different Government for at least six years, and that it did save the primary producers a considerable amount of money.

I was glad to hear the Treasurer say that he expected there would be room for considerable argument as to the extent to which the tax could be imposed. From that I take it he would be quite prepared to listen to argument as to some reduction.

The Minister for Works: The Treasurer is always prepared to listen to argument.

The Treasurer: In fact, he seldom listens to anything else.

Hon. Sir ROSS McLARTY: I have already referred to what the Treasurer had to say about rail freights. He said that provided the taxation measures which the Government had already presented to Parliament and those which were still to be brought forward were agreed to—he has just given an assurance that there will be no more—and that the Government was allowed to receive the additional income that it planned to obtain, there would be no increase in rail freights. I am doubtful about that.

Then again, the Treasurer has told us about his heavy burden of railway debt. He has also spoken of the heavy increases in the cost of hospitals and health generally. He has told us that in the Education Department the school bus service contracts will, this year, cost about £1,000,000. I know that these things are happening, and I am alarmed about the cost. If I were Treasurer today, I would be very concerned about the enormous sums of money that are required for education and health. I know, too, that these two matters are of paramount importance.

With regard to health, it is the duty of a Government to do all it possibly can to guard and protect the health of the people. So, too, our educational standard has to be comparable with that of the other States of Australia and the other parts of the progressive world. I cannot help but think that in this connection, as well as in the matter of the railways, there could be a saving of money. I know a fair bit about hospitals and their costs, and I would think that today the Minister for Health would have a full-time job in examining the many reports which come to him of the substantial increases which are being made monthly by various hospitals from one end of the State to the other.

At times I wonder whether there is a sufficient check on these costs. I look at the bed averages of some hospitals and I wonder just how much further they can go. I am told now that certain people say they cannot enter hospital because of the terrific cost imposed on them, yet we are going on.

The Treasurer: Last financial year it cost the Government nearly £900,000 to subsidise the Royal Perth Hospital.

Hon. Sir ROSS McLARTY: The Treasurer has given us one instance.

The Treasurer: It is terrific.

Hon. Sir ROSS McLARTY: It is, but there are other hospitals not only in the city but in the country that are being run at a very high cost, and I think the Treasurer would be thoroughly justified in making a most searching inquiry into the

cost of hospitalisation throughout the State. I think he could do that without doing something detrimental to our hospitalisation.

In regard to education, it is estimated that bus services will cost £1,000,000 this year. I can see some reason for this. There was a time when a child would ride his or her bicycle two or three miles to school. I am sure that when the Minister for Works was teaching, he knew of children who rode two or three miles for school.

The Minister for Works: They would ride a pony eight or nine miles to school.

Hon. Sir ROSS McLARTY: Yes. The position today is that when a great bus goes down a road and the parents of school children live a quarter or half a mile away, they immediately start an agitation for an extension of the bus service to pick up their children. They get their members of Parliament to make representations to that end. This all adds to the cost of transport, and when these thousands of extra miles have to be run, it is no wonder that the bus-service costs are increasing at the present rapid rate.

The next Bill is the one that imposes a tax on improved agricultural land, and greatly increases the tax on city and town lands throughout the State. I think I can reserve my further remarks until I am dealing with that measure. I do not propose to support this tax now under consideration. The Treasurer has rather indicated that he expects us to support every taxing measure that he brings down. I do not deny that he is short of money, but I think this tax is too severe altogether and that it will inflict hardship all around. I suggest to the Treasurer that he withdraw it and have another look at it. The instances I have given tonight, in regard to churches, would surely satisfy him.

The Treasurer: We have already decided to amend that part of the Bill.

Hon. Sir ROSS McLARTY: I am glad to hear the Treasurer say so; I had some amendments dealing with this portion of the measure, if it passed the second reading. The churches will be interested to know that some relief is to be given to them. I think too, that relief could be given in other directions—to clubs, for instance, in connection with which there is an enormous increase in the tax. I quoted instances for the Treasurer and he knows what the tax will be. What will be the position of properties owned by the boy scouts, the girl guides, clinics, the St. John Ambulance, the country women's homes scattered throughout the State and many other such amenities and necessities in the community?

The Treasurer: There is no desire to tax land used exclusively for those purposes.

Hon. Sir ROSS McLARTY: We should know something about hospitals too. I would think that hospitals such as the Mount, St. John of God, and other church hospitals will be hard put to it if they have to pay this heavy land tax.

The Treasurer: Where a hospital is run by a church, we will exempt it from land tax.

Hon. Sir ROSS McLARTY: I am glad to hear the Treasurer say that.

The Treasurer: But not where it is run by a doctor.

Hon. Sir ROSS McLARTY: No, that is understandable where it is run for private profit. This measure will impose another burden on the people and I feel that there is a limit to where we can go in regard to taxation. I cannot support the second reading of the Bill.

MR. COURT (Nedlands) [9.47]: I feel that we are considering this Bill under a definite threat from the Treasurer. He has made it clear that if this and certain other taxing measures are not approved by Parliament, he will hold us blameworthy for any freight increases that are brought about. I accept that as a challenge because I do not think it is fair of the Treasurer to say that the Opposition would be blameworthy. My approach to it is that it is time for us to pause and have a good look at Government finance to see what is going on in both the Commonwealth and State spheres. I consider that the time has come when a halt has to be called.

Mr. Lawrence: You are not suggesting that you should have been the Treasurer.

Mr. COURT: I will ignore that interjection. I ask myself, "Do not Governments ever practise what they preach" whether it be State or Federal, because my quarrel at the moment in connection with this matter of Government revenue and expenditure is equally with the Commonwealth Government as it is with the State Government.

Restraint is the order of the day so far as the private sector of the economy is concerned. We are given chapter and verse as to why there must be restraint, and some of the reasons given have a certain amount of merit. But private industry is expected to take up the slack from within its own resources. It is expected to try to remain profitable and, if possible, make some progress in spite of the restraint that is imposed on it.

The Treasurer: But the Government cannot close down 100 schools and retrench 500 schoolteachers.

Mr. COURT: I am not suggesting that for one moment.

The Treasurer: What are you suggesting?

Mr. COURT: There are means at the disposal of the Government other than the closing down of schools or the sacking of people. The private sector of this community has done an amazing job in spite of the severe restraint under which it has operated over the last few months. They have got rid of very few people; they have nearly all been absorbed within their own resources, and that has been done by a readjustment. A great degree of thought has gone into it because no employer likes sacking people any more than people like being sacked. It is a retrograde sign for a firm if it is sacking people unnecessarily. So we come to the main point. In seeking economy, I feel that the Leader of the Opposition has put forward one concrete proposal to try to reduce the expenditure side of Government.

I consider it is just a farce that the State Government should be paying over £1,000,000 to the Commonwealth Government by way of payroll tax, and presumably the other States are paying proportionately higher amounts—I refer to the States of New South Wales and Victoria in particular. Personally, I am violently opposed to the payroll tax and I would go further than the Leader of the Opposition. I think it would be a commendable move by the Government, in concert with the Opposition, to ask the Commonwealth Government to get rid of the payroll tax altogether, because it is a direct burden of cost on industry. The Government must be concerned, in the same way as industry is concerned, at rising costs, and the payroll tax has a cumulative effect. If it were eliminated, it would be to the benefit of our economy generally.

Mr. Johnson: You have been reading my speech.

Mr. COURT: I think I advocated this slightly before the member for Leederville; but I will not try to compete with him in that regard. If we are in accord, it is a very good moment for this House.

The Treasurer: This proposition has been put up on more than one occasion at Premiers' Conferences.

Mr. COURT: I have yet to see any public campaign by the Premiers to join with industry to get this tax removed.

The Treasurer: We will start that move.

Mr. COURT: At the moment there is a very receptive field among industry and commerce. They cannot backpedal at the moment because they have made a public announcement that they have approached the Government to get rid of this tax and they have given extremely good reasons as to why they think it should be dispensed with.

It is just as important for the Government to bring this matter up as it is for private industry to do it, and if the Treasurer can achieve an economy of

£1,000,000 in that direction, it follows that his demand for this land tax is not only lessened but completely removed because his ultimate objective is £1,000,000 of which he hopes to receive about £470,000 before the 30th June, 1957. After that, I take it, the assessments will be in full flow and the £1,000,000 per annum will be received partly from primary industry, partly from secondary industry and the balance from private residences.

Apart from the proposition put forward by the Leader of the Opposition that we should go to the Commonwealth Government and ask for release from this payroll tax, thereby removing the necessity for this land tax burden, I feel that we should go further and the Government should set a lead to the people on a situation that confronts us. I am of the opinion that we are in a time of comparative prosperity. People are inclined to get a little moody at the moment and talk in a rather gloomy sort of way. I think the position has been exaggerated.

Personally, I differed with the Treasurer in his approach to unemployment. I said that I felt he had exaggerated the situation when he went to the Premiers' Conference. That caused a great deal of uneasiness and uncertainty in this State. Since then a prominent industrialist has gone around Australia preaching a most gloomy gospel so far as our economy is concerned. I compare conditions as they are today and conditions as they were in the really bad times and in times we considered to be just fair, or about average. I would say that by comparison the conditions today are better than they were either in times we considered average or in times we considered bad.

The Treasurer: Times are always very bad for the chap who is unemployed.

Mr. COURT: Agreed.

Mr. Lawrence: What do you mean by "average"?

Mr. COURT: There are conditions that we refer to as being "about average." I mean conditions just before the declaration of the second world war. People were starting to refer to those times as being fairly normal, whereas they referred to times in the early 1930's as being very abnormal.

Mr. May: Subnormal.

Mr. Lawrence: Excuse me! I cannot listen to this rot.

Mr. COURT: I will probably be able to continue with less interruption. I feel that people are capable of absorbing things if they are told the facts. I believe that the Government, in its approach to industrial matters, must set the lead because it is by far the biggest single employer in the State. In connection with industrial matters, and particularly as regards remuneration generally, it will have

to adopt a firm policy and I am sure it is in the position, and should be in a better position than the Opposition, to have the support of the responsible body of unionists in this State in its efforts to deal with the current situation.

It is just impossible for this economy to keep on absorbing increases, it cannot be done. We cannot tax and tax and tax until we get to the bottom of the pit; then we get disaster. That will create mass unemployment, and we will not be able to do anything about it by that time because we will have exhausted all our normal means of overcoming the situation. For instance, in our transport industries we have now created a situation which makes it well nigh impossible for the Government to operate a week-end service on a satisfactory basis. The Government cannot give as full a service to the people as it would like to give because costs are so terrific—award conditions are so terrific.

However, I do not for one minute suggest that we should approach this in a spirit of breaking down industrial conditions to a point where there is hardship; but, on the other hand, there should be some reasonable limits. I think the Government has shown the first signs of some positive move to break down its expenditure—I refer to the motion which has yet to be debated regarding the cancellation of certain railway services. That is a debate to which I look forward with interest, because it is the first positive and major move of a public nature that the Government has made to demonstrate that it is trying to meet the position from within by making an economy and by attempting to get greater efficiency instead of asking for more money from the taxpayer.

The Treasurer: We will be bringing in a Bill shortly to save £80,000 per annum.

Mr. COURT: My only experience with extra revenue, whether it be in business or a Government department, is that when there is more money, there is always a great temptation to spend and a great temptation to be more lenient with people. I have seen it during the time of abnormal buoyancy in the postwar years when money seemed to flow in from all quarters and the need to go out and sell hard did not seem to exist. People came in and worried shopkeepers to sell their goods and profits were fairly high. Business generally was easy. There was a tendency on the part of business proprietors to be less vigilant than they should be. Some of them are now reaping the reward and are finding it extremely difficult to come back to the field.

Those who were more cautious at the time are finding the present conditions very satisfactory. I think the same thing prevailed with Governments throughout Australia. During those buoyant years, when revenue seemed to flow from all quarters, it was a temptation to take the line of least resistance with finance and

so we have this ever-continuing inflation, most of it caused by no restraint on expenditure.

This particular measure is objectionable to me for several reasons and one of them is, of course, that it makes a further impost on the residential home-owner. Let us forget for a moment the big property-owner, the man who has his business which he conducts from his premises, and let us forget for a moment the primary producer. This Bill starts with the home-owner and puts his rates up from 1½d. to 2d. in the £ immediately. That might not sound much but when one considers the values that are being placed on these properties today, it is a matter of grave concern.

Those increased values have been carried through into water rates and municipal and road board rates and it is becoming a highly expensive business to own a home. Then if we add to it such items as insurance, the high cost of repairs and maintenance, one can see it is a hazardous business to own a home. The last thing we want to do is to discourage people—

The Treasurer: It is a hazardous business not to own a home.

Mr. COURT: It is getting to the stage where it will be cheaper to rent a place than to own a home.

The Treasurer: No.

Mr. COURT: The Treasurer shakes his head.

The Treasurer: Only cheaper if you do not pay the rent.

Mr. May: Which would you rather do?

Mr. COURT: Some of the figures I have convince me that it is getting cheaper to pay rent than to own one's home. In answer to the member for Collie, I would say that I always advocate home-ownership.

The Treasurer: Security is worth a lot.

Mr. COURT: The Treasurer must have been reading my notes because that is the next point to which I wish to refer. We advocate security of tenure, and it is certainly being made an expensive business. We should advocate security of tenure not only as it relates to home-ownership but also with respect to industry. It is a constant source of danger to the employees in a business where premises are leased because the employer never knows when he must vacate his premises. There is grave danger in having to get out of premises. We should encourage industry to own its premises.

Mr. May: They are protected by leases.

Mr. COURT: Leases expire, and owners want their premises back. There is a factory not far from here that is under threat of lease termination. That factory employs 40 or 50 people.

The Treasurer: That could happen whether there was increased land tax or not.

Mr. COURT: It could, but I suggest that if we increase these imposts on property-ownership, we only further discourage that man from taking the important step of being his own freeholder. I advocate that a man should own his own premises without looking too closely at the economics of it, but a man owning his own premises in a popular suburb takes fright at the capital investment he faces. I encourage people to do that because security is the important thing.

When we get down to industrial premises it is discouraging when we have these further imposts, because the higher values go, the higher the taxation brackets into which these people move. This creeping paralysis of valuations is ever with us. The Treasurer does not have to come to Parliament to get an extra tax. The valuers are on the job and if they find a new suburb is becoming popular they increase the values three and four times.

The Treasurer: I understand we have not enough valuers.

Mr. COURT: I am afraid they are fast catching up. What they did in Nedlands is nobody's business. I mentioned this matter to the Treasurer earlier in the session but he did not give it much consideration, although he promised he would.

Mr. May: You are not forced to live in Nedlands.

Mr. COURT: It is catching up with the member for Melville; it is catching up with the people in South Perth, in Mt. Lawley and everywhere else—as the suburbs become more popular, and as the valuer gets more staff and presses further out, so the suburbs will get the full impact of those revaluations. It means that if there was a systematic revaluation of a third of the metropolitan area each year, the Treasurer could easily find himself in the position of getting an increase of 30 or 40 per cent. of the tax without coming near Parliament, because the lifting up of the values automatically lifts the amount of revenue he gets.

Under his new scheme it will be more severe because if they revalue the city block, where there are properties with high land values, we could find them getting into different brackets. For instance, at the £40,000 mark on unimproved values the tax is £583 6s. 8d., and 6d. in every £1 in excess of that figure. If the valuer went along and decided that these values had jumped and the same property had moved into the £50,000 class, without the Treasurer coming to Parliament—merely by a stroke of the pen of the valuer—the tax would jump to

£833 6s. 8d. which is nearly 50 per cent. This could be done without any reference to Parliament at all.

I am surprised that the Bill was introduced without some concessions being included for the people who are normally exempt. I refer particularly to bodies carried on not for the profits themselves—bodies such as churches and the like who have always been considered as entitled to preferential treatment. However, the Treasurer has foreshadowed amendments to give effect to some of those exemptions. I am assuming they are exemptions although when we see the amendments it may be only partial exemption.

As we know, churches with income-producing property do pay some tax today, but under this measure it would be a severe burden. In some cases it would wipe out their net income which is applied to the purposes of their church. In conclusion, I want to say that we have to acknowledge that, like payroll tax, land tax cannot be avoided. It does not matter whether we are making a profit or a loss, we cannot avoid it. We cannot say to the Commissioner of Taxation, "I have not made any profit, so I am not liable to land tax." It is the same with payroll tax. One cannot plead loss because it is paid on one's wages. The more that is done to encourage employment the more payroll tax one pays. This tax cannot be avoided regardless of one's ability to pay.

I feel that to impose this tax on agricultural land at this stage of our history is most undesirable. It is true that they have had times of buoyancy but some primary producers are in difficulties. One cannot differentiate between the prosperous and the non-prosperous because the very nature of land tax is that it taxes land and does not make any allowances for the disabilities of the owner. I oppose the Bill.

MR. BOVELL (Vasse) [10.8]: As far as I can see, this measure is bound up with three other Bills that have been introduced. The first is the Land and Income Tax Assessment Act Amendment Bill which we are now discussing; the second is the Land Tax Act Amendment Bill which states the new rates, and the third is the Vermin Act Amendment Bill which will abolish the existing charge of the vermin rate made by the Government. It is estimated that the Government will receive an additional revenue of over £1,000,000 on the present valuations.

To those of us who represent rural constituencies, the most alarming feature of the legislation is that for the first time since the Mitchell-Latham Government abolished this charge on improved agricultural land, farmers will be called upon to pay land tax. We know that during the postwar years, the wheat and wool

industry has enjoyed a stability which it had not experienced for many years previously. But I regret to say that this stability has not been altogether enjoyed by the dairying industry. The Government has recognised this by propounding a scheme to assist the under-developed dairy farms in the lower South-West to enable farmers to obtain more income. As yet, the scheme is only in its embryo stage and, as far as I can see, there is no evidence of its practical implementation.

The Minister for Lands: Yes, there is.

Mr. BOVELL: It is therefore necessary to look into the position of the dairy farmers whom the Government itself admits are not receiving sufficient income to reward them for their labours. Many dairy farmers at present are not paying income tax because the income they receive is not sufficient to entitle them to be taxed. I know this is so from practical experience. These people will be called upon, if this legislation is passed, to pay a further fixed charge on their properties.

Mention has already been made by the Leader of the Opposition to the fact that farmers today, and especially those in the South-West, are called upon to pay fixed charges in addition to the normal rates imposed by local authorities. In postwar years a charge has been imposed on farmers in relation to drainage rates. There were no drainage rates in the lower South-West in the prewar years and these rates, I am sorry to say, have increased year by year until they rival the rates imposed by the local authorities. As a matter of fact, in some cases, in my experience, the drainage rate has risen in excess of the amount imposed by the local authority.

In addition to those charges, there are general rates, loan rates, health rates, vermin rates and so on. This is not restricted to dairy farmers but it also includes market gardeners, beekeepers, fruit growers, potato growers and others farming in a small way, whose income is limited to the extent that they are not called upon to pay income tax, and they will be called upon to find a fixed charge on their properties under this legislation. It is more than the primary industries I have mentioned can stand, and the Government has admitted this by its proposal to assist the increase in the productive capacity of dairy farms—and there are many of them.

I could quote from personal experience the difficulties that dairy farmers on small holdings are encountering in financing their farms in the electorate I represent. Many of them work on the wharf at Busselton, and others in the outer districts work in the timber mills to supplement their income in order that they may proceed with the development of their farming properties. While the menfolk are

away earning this extra money, the wives and families are doing their best to carry on the work of the farm.

This measure will undoubtedly be a further financial imposition and burden on the dairy farmers, the market gardeners, the beekeepers, fruit growers, potato growers and others engaged in primary production who have not built up their properties to an extent where they can earn an income. Many dairy farmers are—and I repeat this—struggling for financial survival. They have borrowed money either from one financial institution or another and have to find interest on their outlay. All this adds to the cost of production in a situation where the price of their commodity is fixed and these increased charges cannot be passed on to the consumer. It is not desirable to pass these increased charges on to the consumer because that only adds to the inflationary spiral.

I believe the Treasurer criticised the Federal Treasurer for imposing certain costs during the State elections in April. The sooner the Commonwealth and State Governments realise that the more taxes and charges they impose on the community, the greater is the inflationary spiral, the better. Their action in imposing these charges adds fuel to the inflationary spiral and I believe that both Federal and State Governments are as blameworthy as anybody else so far as the position is related to inflation in Western Australia.

The Minister for Transport: Have you worked out an actual example as to the effect of this on a typical dairy farm? My impression is it would not be a shilling a week.

Mr. BOVELL: I do not know. I cannot at the moment answer the interjection of the Minister for Transport. However, earlier in the session I was alarmed at the increase in land tax as it now applies. I had no idea that the Government was going to introduce legislation to include all land, but in 1945-46 the Treasurer informed the House that the amount collected by way of land tax was £111,353 and that had risen by 1955-56 to £529,412 without any increase in the rate whatsoever. It was brought about by fictitious values on the part of valuers going around and increasing the value of land for taxation purposes.

As I have already said by way of reply to an interjection by the Minister for Transport, drainage rates were imposed on primary producers in postwar years, but each year since there has been an increase in that imposition. The Minister has worked it out that it will only mean a shilling a week to dairy farmers, but these farmers are not getting sufficient income to pay income tax. Therefore any additional financial imposition is a further burden on these people. We do not know how long

it will stay at that. It may get progressively worse so far as the primary producer is concerned. It may get higher and higher over the years, as I have just quoted.

Hon. Sir Ross McLarty: You had £139,000 additional land tax last year over 1954-55.

The Minister for Transport: You are just proving how Menzies did not put value back into the £. It is the depreciation of money.

Mr. Court: It is the changed popularity of areas.

Mr. BOVELL: I have some idea of valuation and I think a wrong principle has been applied. Valuers have gone around this State valuing properties at market value which is not a true valuation. Anybody with experience will say that a sound valuation must be taken over many years, and the marketable value of that property in the time of a depression and in the time of buoyancy must be taken into account.

The Minister for Transport: Isn't it a fact that most people would laugh in your face if you offered them that valuation of their property?

Mr. Court: Not some of the Nedlands people.

The Minister for Transport: They think it is worth many times more.

Mr. Court: Not necessarily.

The Minister for Transport: Almost invariably.

Mr. BOVELL: It does not apply to dairy farmers. The Minister for Lands is showing some interest in this matter and he knows that both in the electorate which he represents and the electorate I represent—they adjoin—there are many farmers who are struggling for financial survival and any further imposition, even though it only be a shilling a week, will impose a heavy burden.

The Minister for Lands: It may be less.

Mr. BOVELL: It will certainly be more.

The Minister for Lands: There will be no vermin tax.

Mr. BOVELL: It will increase the tax on their properties and they cannot afford to pay it.

The Minister for Transport: If you worked out a case you would get a shock. Give us a typical case; you need not mention his name.

Mr. BOVELL: I know from experience that a great number of dairy farmers in the lower South-West do not receive sufficient income—and I repeat this—to pay income tax. I know that for a fact.

Mr. Ackland: Nearly 60 per cent. do not pay income tax.

Mr. BOVELL: The survey which was completed not so long ago showed this to be an indisputable fact.

The Minister for Transport: With that you would be right.

The Minister for Lands: This will be the cheapest way.

Mr. BOVELL: There is no cheap way to make a charge to persons in the industry who cannot earn sufficient to pay their way. I do not think the Minister for Lands, the Minister for Transport or the Treasurer could dispute that fact.

The Minister for Lands: They will have less to pay this way.

Mr. BOVELL: I am primarily concerned with the burden this will impose on sections of primary producers who cannot afford to pay the further imposition of tax.

The Minister for Lands: Do you think they could afford to pay increased railway freights?

Mr. BOVELL: Railway freights are not related to this matter.

The Minister for Lands: Yes, they are.

Mr. BOVELL: No; if the Government has to increase railway freights, it is another matter. I am worrying about the imposition of a charge on improved agricultural lands. I think I have convinced the Minister for Transport that it is a wrong principle to tax primary producers who are at present not receiving sufficient income to meet their just debts.

The Minister for Lands: You know the tax is on unimproved land.

Mr. BOVELL: The basis is, but it does not matter whether it is improved or unimproved.

Mr. I. W. Manning: It is higher on unimproved land.

Mr. BOVELL: The tax is based on the unimproved value but it applies to all land, improved or unimproved. As the member for Harvey says, the person who has not improved his land suffers a penalty.

The Minister for Transport: There is a concession for the person who has improved his land.

Mr. BOVELL: There should be a further concession because those who improve their land are providing the lifeblood of this country. Eightyfive per cent. of our exports come from primary production, and if we are going to force off the small people engaged in primary production, we are not only hurting the individual but we are adversely affecting our national income. The member for Nedlands spoke about home-owners and it is our policy—I think it should be everybody's policy—to encourage people to own their own homes.

The Minister for Transport: You didn't do much as a Government.

Hon. Sir Ross McLarty: Didn't we?

Mr. BOVELL: I was never in the Government.

Hon. Sir Ross McLarty: We made it easy for you to carry on with it.

Mr. BOVELL: I take exception to the increased valuations of valuers who, in my opinion, do not get down to the real basis of making a valuation in connection with homes. There are people in this country who have lived in homes on land which gradually improved in value, but of necessity they continue to live in them although the rates have risen in postwar years most alarmingly.

In my own personal case in regard to land tax, I hate to think what it will be if this measure is passed. It has risen from £1 15s. 4d. in 1945 to £39 19s. in 1955-56. It is used as a residential property and this increase is because some valuer has gone to Busselton and said that this property is worth so much. The house is over 100 years old. I was born there and it is the home of my mother and we are called upon to find, apart from local rates and taxes, £39 19s. this year in land tax. I suppose on another three-farthings in the £, it will go up another £20.

The Minister for Transport: What sort of a house is it for which you have to pay £39 19s. in land tax?

Mr. BOVELL: It is because of the value put on it by the taxation land valuers. People are being penalised and I think the Treasurer should encourage home ownership. There should be some system whereby the land tax on homes occupied by the owners shall be derived on an annual rental basis and not on the unimproved value basis.

Mr. Court: The Minister interjected about the value of that home. There are plenty in Nedlands who will pay over £30.

The Minister for Transport: The member for Vasse says what he is paying now. I do not doubt his word, but it seemed a high figure to me.

Mr. BOVELL: The house is situated in the main street of Busselton and is rated on the same basis as the hotel and garage opposite. As it has been the family home for so many years, we have to suffer the penalty or get out and sell it. Because of fictitious values, we have to pay £39 19s. If the Treasurer would like to go to the Taxation Department, he will find that I paid that amount.

The Minister for Transport: I only pay £1 in Perth.

Mr. BOVELL: Perhaps they haven't caught up with the Minister for Transport.

Mr. Court: You have got it coming to you!

Mr. BOVELL: The system of valuing homes should be on the improved value. The present method is only forcing people out to find homes somewhere else. The Government should endeavour to provide a system, even if it is loaded, under which people residing in their own homes would be rated on the annual rental value. I strongly oppose the Bill. It is vicious in the extreme for the Treasurer to want to extract an additional £1,000,000 from landholders. As one who represents farmers in the main, I consider that it is a very retrograde step to impose a tax on improved agricultural land, for the first time in 25 years.

HON. A. F. WATTS (Stirling) [10.31]: I must confess I find it extremely difficult to agree to the principle of imposing a land tax on improved agricultural land, which was abolished by a Government, of which Sir Charles Latham was Deputy Premier, some 25 years ago, that abolition being reaffirmed in 1948 by paragraph (g) of Section 10 of the Land and Income Tax Assessment Act Amendment Bill of that year.

I must say, too, that I find it extremely difficult to subscribe to the very high rates of tax which it is proposed to impose on other land as set out in the schedule to the taxing Bill; and I join with the Leader of the Opposition in expressing the hope that some amendments will be made to lighten the burden of those church authorities to which he has referred. They have also communicated with me. I must admit that it was not until I perused the figures given in those letters that I became completely aware of the incidence of the tax proposed in the taxing Bill, because those figures demonstrate what a terrific rise there is in the rates of tax and in the effect of those rates not only on those institutions, for which I must confess I have a particular sympathy, but also on many other concerns of a non-profit making nature and, indeed, upon the average householder in those cases where the valuation of his land, unimproved, would be a fairly considerable sum.

Further, I must admit that I have some sympathy with the views of the member for Vasse in regard to the valuations imposed on land in some places in recent times. I am not prepared to widen out the criticism of the valuers because I realise that people themselves are somewhat to blame for many of the values placed upon land, particularly in urban areas. There is no question whatever that people have been prepared to offer for land in what one might call popular areas in towns and cities, prices which really could not be justified from any ordinary, commonsense point of view.

But those prices having been paid in open competition, they have, of course, affected the values of adjoining land and

the ideas of vendors as to the value of the property they hold in those adjoining areas. In the net result, that has forced up the general level. Nevertheless, I feel that some of the valuations made have taken little or no regard for the surrounding circumstances in the lack of competition there is for land in those particular cases, save that they are at some convenient distance to those spots where tremendous prices have been paid by persons clamouring to get into those strictly limited areas. So, in the net result, there has been a terrific increase in valuations, which has resulted more than quadrupling the tax in the last four years.

So the incidence of this tax will, I feel be very much more severe than the Treasurer imagines—that is to say, the tax proposed in the Bill. I question very much whether the amount he will receive will not be considerably greater if the rates of tax proposed become law than the amount for which he estimates. I think he will find by the time the values have been completed, on the basis to which I have referred—if that basis is to continue, and if the rates he proposes are approved by Parliament—that the income he will receive will be very much greater than he contemplates.

If he is prepared to accept that point of view, it may be possible for him to accept some suggestions, if they are subsequently made for a reduction of the taxation figures. However, I find it extremely difficult to support the principle of a tax on improved agricultural land after all these years. I will go further than that and, dealing with the unimproved values of certain country lands, I doubt whether they could be justified in any court of inquiry in many cases, because to place the improvements on those lands that are there at current prices would, in many instances, if set off against the prices for that land with improvements that could be obtained, result in a great reduction, if not the entire cancellation, of the unimproved value.

It is not very long ago that I had access to the deliberations of a local authority which was entertaining an appeal, under the Road Districts Act, from one of its ratepayers who alleged that the unimproved valuation of the land which he owned was excessive. He presented a very excellent case to which I listened with considerable interest for something like half an hour, and he produced evidence to demonstrate that he had offered the property for sale by auction, by tender, and then by private treaty at a certain figure, that figure being the unimproved value fixed by the board, plus the value of the improvements that had been assessed on present day values by two valuers who knew their job pretty well; and neither by tender, nor by auction, nor by private treaty could he get that figure.

In consequence, he said that if they deducted from the highest offer he had received the value of the improvements assessed by those people, which in his opinion, was by no means excessive, it would be found that the valuation fixed by the board was outrageously high; and, in fact, had become virtually a minus quantity. The board was so impressed by the arguments and the evidence adduced, that it was obliged to make some reduction in the valuation; because it realised, as did its ratepayers, that there had to be a valuation upon which he was to be rated, but it could not but concede the fact that the figures presented indicated that the unimproved value on which he had been assessed—and which I believe was something less than the Taxation Department's figure on that particular block—was excessive.

I suggest that there are many instances in the rural areas where, if these calculations were made efficiently, bearing in mind the tremendous cost of doing improvements upon the land today, it would be found that the unimproved values that are assessed upon them could not be sustained in face of the value of the improvements.

Mr. Bovell: If the Rural & Industries Bank based its valuation on the Taxation Department's assessment, it would have a narrow margin of security.

Hon. A. F. WATTS: The Rural & Industries Bank's valuations are always considerably lower.

Mr. Bovell: Of course; and that should be the basis of valuation.

Hon. A. F. WATTS: I should say, in fact, that they were probably more realistic in a great number of cases.

Mr. Bovell: That is so.

Hon. A. F. WATTS: Taking into consideration what I have just said, I am satisfied that they would be more realistic and more likely to be sustained if a proper inquiry were held into a special case. It is virtually impossible in respect of some rural properties that have been well developed over a period of years, to determine what is improvement and what is not; and it is certainly most difficult to determine what the improvement costs would be at present as opposed to what they cost when they were actually done. It seems to me that not a very great effort has been made to determine the actual figures. I think that in many instances the valuations placed on land are assessed from a sort of datum upon some distance away and little regard, if any, is paid to individual valuations of the substantial improvements which are upon the property.

I realise it is a very difficult matter to do this. It would take even more time and more valuers than the State could possibly find; but that does not exempt the department, in my opinion, from the complaint that valuations on several counts

have been forced unduly high in recent times. However, I do not propose to take up much time on that question.

The remarks of the Leader of the opposition in regard to payroll tax interested me. Rightly or wrongly, I have always been of the opinion that the Commonwealth had no right to impose this obligation upon any State, because it is provided by the Commonwealth Constitution that the State shall not tax the property of the Commonwealth and the Commonwealth shall not tax the property of the States. So far as I can understand the position in regard to the payroll tax, the money which is the property of the State is taxed when it is still in the hands of the State and before it reaches the employee at all; and it has always struck me as extraordinary that, in view of the inflated costs in recent times, no State Treasurer has sought the intervention of the High Court to bring the matter to a head.

It always seemed to me that it would probably be a much more profitable venture than that which I believe is being taken by the Government of Victoria into the reopening of uniform taxation, because there at least we did have a majority judgment of the High Court, which said that uniform taxation was valid and that the States had virtually no rights. True, it was only a majority judgment, but we have not even that in regard to payroll tax and, as I have said, in the last few years when it has become such a burden on the States, I have been surprised that action has not been taken.

Paragraph 114 of the Federal Constitution says that State shall not, without the consent of the Commonwealth, raise or maintain any naval or military force nor impose any tax on property of any kind belonging to the Commonwealth, nor shall the Commonwealth impose any tax on property of any kind belonging to a State. As I see it, the money, when the tax becomes payable by the State to the Commonwealth, is the property of the State, and I cannot understand why that point has not been raised more seriously than, apparently, it has. I would like to support the proposal of the Leader of the Opposition that a definite attempt be made to have this tax abolished or ruled out of order and if we cannot achieve the first, I would subscribe to a proposal that we try to get the second, because that would go a long way towards solving these problems—

Mr. O'Brien: We pay about £2,500,000 in payroll tax each year.

Hon. A. F. WATTS: I do not know that it is as much as that, but it is £1,000,000 or more, and that is sufficient. I think that part of it is expended out of loan funds, because it forms part of the cost of loan works, but nevertheless the detriment to the State is just as apparent, especially

when one realises that probably the other half is paid out of Consolidated Revenue, and so it becomes a double-barrelled burden, adding to the State's expenditure and diminishing its resources for public works, both of which are undesirable and should be avoided at all costs, if that is possible.

It would greatly minimise the problems which have no doubt influenced the bringing of this Bill before the House and if we could have solved the question before this, it would probably have obviated the present discussion. If the House is going to agree to the second reading of this measure, I shall interest myself in trying to limit the period during which this tax on agricultural land can be charged. As we know, paragraph (g) of Section 10 of the Land and Income Tax Assessment Act provides that there shall not be any such tax, but the Bill proposes to repeal that section. If it were repealed, the incidence of this land tax could go on for ever.

If Parliament is going to agree to it at all—I have already said I do not favour that course—I think it should agree to the measure only on the basis that it can be examined again in a couple of years' time, because the problems which have given rise to the measure may then have diminished and other avenues may have been found of saving or raising money. I have an amendment designed to achieve that end and propose to move it when the Bill is in Committee.

MR. PERKINS (Roe) [10.501: Like other members who have taken part in the debate, I believe that if the measure is passed in its present form it will have wide repercussions. The proposed increase in severity of the taxation is such that I can well believe that many business firms will be placed in a difficult position. I have no doubt that many organisations are in a position to pass the tax on comparatively easily, and in such instances no hardship will be caused to the shareholders; but there are many other firms which have to meet outside competition of various kinds, and in those cases any increase such as this in their fixed burdens could well put them in a more difficult position in regard to meeting outside competition.

There are a number of other points that have been well canvassed tonight by other speakers and I will not go over that ground again, but there are various anomalies in regard to which the Treasurer is apparently prepared to accept some amendments. I agree with previous speakers that it is essential that the Treasurer give consideration to a number of questions. I desire to deal particularly with the provision which seeks the reinstatement of taxation of agricultural land. The farmers organisation to which I have belonged for many years fought strongly to have that tax

rescinded and, as members have been reminded tonight, that was done in the early depression years.

I believe we are turning the clock back by endeavouring to reinstate that tax, which is strongly objected to by most primary producers. It has been contended that such an impost is, in effect, a tax on tools of trade, the land being one of the tools of trade of the primary producer, because it is just as much a necessary part of his operations as is the carpenter's tool kit in relation to the work he does. Obviously, if we impose a tax on those tools of trade, it must have an undesirable effect.

Of course, none of us likes paying taxes but we realise that the funds required by the Government must be raised somehow. However, surely this is a very clumsy way of doing it. In the past I have read carefully some writings on this subject, and particularly those of Henry George. I think many other members have probably read a publication called "Progress and Poverty" in which it was contended that if land values were taxed 100 per cent. that would provide all the revenue necessary for the carrying on of Government.

Hon. J. B. Sleeman: Are you a follower of Henry George?

Mr. PERKINS: Far from it. As a matter of fact, if that gentleman were still alive I wonder what he would think of the present range of governmental expenditure. In the days when he lived, the matters in which Governments dabbled were much fewer than we have been accustomed to and since his day, inevitably, some of the services provided by Governments have become much more expensive.

The point I wish to make is the axiom that if we are going to follow out that principle, there has to be a very accurate assessment of what the unimproved land values are. When we come to agricultural lands, I believe the member for Stirling is right in saying that in many instances they have a minus value and that it would be impossible to sell many of them for the amount expended on them to bring the improvements up to the present stage.

If we had to start with some of that agricultural land in a virgin state and develop it at the present time—not allowing such costly figures as the war service land settlement scheme has shown on the development of land with which it has dealt—I believe it would be impossible to develop most of our wheat and sheep lands for a figure at which they could be sold in the open market today.

It has not become a very vital question as yet because the only taxes which the primary producers have been paying are either the vermin rate—which they agree is necessary as each rural landholder should contribute to the carrying out of

the work of the Agriculture Protection Board—or what is paid in rates to the local authority. That being so, most landholders have adopted the attitude that amounts sufficient to carry on the work of both local government and the Agriculture Protection Board have to be found and that, provided the requirements are reasonably apportioned between one landholder and another, justice is roughly served.

But when the Treasurer introduces a land tax which is going to be used for State purposes, the question of valuations becomes a vital one indeed. I have obtained some figures of unimproved values from one or two local authorities but have not been able to obtain all the figures I would like to have for this debate tonight. I am wondering whether the Treasurer would arrange for members to be supplied with the relevant figures from the Taxation Department. By going around the various local authorities one could inspect the figures without difficulty, but I have not tried to do that. I rather suspect that if a member of this House went to the Taxation Department and asked for the unimproved valuations of different rural blocks, the information would be refused. I repeat that we could obtain the information from the local authorities but there is not much chance of doing that in sufficient time to be able to use the figures while this legislation is being dealt with.

Apparently when the Government has been considering this legislation, Ministers have held the opinion that the unimproved land values throughout the State generally, including agricultural lands, have been fixed rather on the low side. An interjection by the Minister for Transport when, I think, the member for Vasse was speaking, rather indicates that. However, I can hardly think the Minister for Works holds the same opinion because I can remember introducing a deputation to him representing the people in the Lakes district, which was requesting the provision of sealed roads to that area. One of the arguments used by the members of the deputation was that the road was necessary so that a market could be created for improved land. It was said to the Minister for Works that instances could be cited where land had been offered for sale, but that no bid had been made. I know from personal experience that properties were sold for much less than it cost to develop them.

It will create an intriguing situation if the Government persists with this legislation. We have had strong objection from the States against the Commonwealth proposing to give its taxing powers back to the States without allocating some definite field to them, otherwise where the Commonwealth has the prior right to tax in some particular field, the State will be placed at a disadvantage in having to levy an additional tax.

In this instance the State proposes to invade a field which has been largely reserved to local authorities in the rural areas. Of course, the land-owner will begin to wonder how much his fixed charges will amount to. The land tax, like ordinary road board rates, is a charge that is levied irrespective of whether a season has been profitable or not. It is also provided in the Bill that the tax must be paid, otherwise fines will be imposed and the amounts will be recoverable at law. The Taxation Department has never been noted for a great degree of leniency towards those who do not meet their commitments promptly. I suppose that requirement is necessary, but, on the other hand, that is a point we have to take particular notice of when a tax such as this is proposed by the State Government.

I am wondering what the attitude of the Government is to be if there is a wholesale request for revaluation of rural properties if this tax is imposed. Obviously, if the Government is working on the assumption that farmers generally are well able to pay this tax and that there are considerable unimproved values on our agricultural lands and if the owners object that there are not these unimproved values in actual fact, surely, if justice is to be done, there must be careful inquiry by the Government of the day.

The member for Stirling has cited one case that has come to his notice, but I believe that many more could be instanced. I think members realise that our sheep and wheat lands have been alienated under conditional purchase from amounts ranging from 15s. an acre down to about 4s. an acre or even less. However, taking the higher figure of 15s. an acre, for what we call forest country, the Government has already received that amount and that, of course, should not be included in the unimproved value of the property. The present owner or person from whom it was bought has actually paid that amount to the Government; that is, 15s. an acre.

I believe it would be impossible to find any contractor who would be prepared to clear average salmon and gimlet country for less than £5 an acre at present. I doubt whether any contractor would be interested in clearing land of that nature unless it was at a figure considerably in excess of that.

Mr. Ackland: It cost £2 an acre to clear when wages were £3 10s. a week.

Mr. PERKINS: Yes, I realise that, but I am taking the lowest conceivable figure that one can name. Then there is fencing to be done on improved blocks, and I do not think that could be valued at less than £2 per acre. Other buildings on the property would average, at least, a further £2 an acre. Then are all the other improvements, which there must be

on land which has been developed many years before—that is, intangible improvements, if I might call them that—which would embrace cleaning out roots, overcoming mineral deficiencies in the soil, the provision of water supplies and so forth. I think that a further £2 per acre to cover those incidentals would be a conservative estimate indeed.

I would not like to develop any block from a virgin state up to a stage of its being regarded as a well-improved property in any of our wheat and sheep areas at present for less than, say, £11 15s. an acre. I do not know whether members on the Government side of the House would see much profit in that, either. I suggest to the Treasurer that there are not many sales of first-class blocks being made in our wheat and sheep areas at a price in excess of £12 an acre. There are very many sales which are less than that. In that case, where is the unimproved value? The figures I have access to indicate that the unimproved values of forest land in some salmon gum country in the wheat and sheep areas range from £1 10s. to £2 an acre, and as high as £2 10s. an acre.

All sorts of anomalies come into the picture. There has been a lot of agitation in local government circles for some time asking that further revaluations be made of the better class of light land. The anomalies are very considerable. They have not been so serious in the past, when unimproved value has been used for the raising of the vermin rate and by the local authorities. But when the Treasurer seeks to increase land tax for the general purposes of the State it is another matter altogether.

When replying, I would ask the Treasurer to make some reference to the repercussions that the Bill will have on the local authorities. One such authority has already made representations to me inquiring what the rates of taxes are to be, and how they may affect rating for the next year. Obviously, if ratepayers become accustomed to a certain level of rating, not very great objection is taken, but when a further tax is imposed for the benefit of the State, then from a practical viewpoint there will be a lot of questioning by the ratepayers concerned.

If the severity of the tax had not been so great, there would not have been so much difficulty on the part of the business community to adjust itself to the changes. So far as the rural community is concerned, besides the difficulties that arise from having to pay a tax for State purposes whether the season is good or bad, there is a strong dislike of the principle of taxing the tools of trade.

MR. JOHNSON (Leederville) [11.15]: Having had some experience of land valuations in the last couple of years in relation to metropolitan properties, I would like

to make some comment on a matter referred to by the member for Stirling and the member for Roe; that is the method of valuing. They have used the idea that one should take the situation of a property as it stands and deduct from it the cost of supplying the improvements, and adjusting that point as the unimproved valuation. Such a method overlooks the important point that valuations under the unimproved system must have regard for the theoretical possibility that such unimproved land lies next door to everything else that exists.

In the valuation of rural land not only is it just and equitable to regard the valuation of each property, but it is just and equitable to value at least each parcel. I would perhaps expect the valuation to be per paddock. What would be the valuation of a 1,000 acre paddock, were it to be surrounded by other paddocks within half a mile of the homestead, with a telephone line running alongside, a rural water scheme passing, a made or a bitumen road connecting, a railway line adjacent, and all the amenities that have been established over the years not only by the landowner but by the public purse? All these factors have to be taken into consideration.

I feel that the story told by the member for Stirling of an appeal being successful on those grounds must have lain before a group of local authority members who were amenable to that argument, without having regard to all the facts. It is a matter which is worthy of considerable thought. I can appreciate the way they look at it. I feel they have missed a large portion of the important point in relation to the valuation of land. There is one other point which should be discussed at greater length than it has been.

Mr. Perkins: You would not suggest land should be valued more than it could be sold for?

Mr. JOHNSON: In reply, I would suggest that it should be valued at the price for which it could be sold as a virgin paddock remaining in the property of that person, or adjacent to his neighbour. Its value is what the unimproved land would be worth.

The unimproved block that lies next door to my block in the city is valued for land tax purposes in relation to the fact that it is in an area with a certain standard of homes, with a trolley-bus passing by, with a footpath and all the necessary services. It is valued according to the sales of vacant blocks that take place in that area. The improvements consist only of the holes dug by children while playing their games! But the value of that land which has not had any improvements since its original condition, consists of its situation in relation to the locality, not in relation to the position at Wongan Hills, but in regard to Wembley. The value is made by the community. The value of my house

adjacent to it raises or lowers the value according to how one regards the value of that house.

Mr. Roberts: That is not the unimproved value. That is wrong.

Mr. JOHNSON: That is the unimproved value.

Mr. Perkins: You would not find a high value attached to agricultural land if you found a vacant block.

Mr. JOHNSON: I would say that the hon. member is unreceptive to the argument, but that does not alter the method by which valuations are made and by which it should be regarded. Perhaps I have not explained myself very well. It does not alter the fact that such factors are taken into consideration by valuers.

The other point I wish to deal with is the justice of applying land tax, not only to metropolitan land but to agricultural land. We in the metropolitan area have been paying tax on the land on which we live and that has never been opposed. There seems to be no reason why those who live in the country should not pay in the same way and similarly to others. Those who manufacture in the State have paid land tax and have not been excused. If it is good for the city resident, it is good for the country resident whether on a farm or in a small country town. It is just a matter of justice.

A point which is frequently overlooked is that the majority of taxpayers are in the metropolitan area and they pay a large amount of money into public revenue. The rural industries and the rural people take from that common pool a very large amount. I am not suggesting they are not in some degree entitled to this support, but it is worth while regarding some of the amounts they do get and which I feel in these days of rural prosperity should be repaid by them. We have to remember that at the moment, with war scares overseas, the price of wool is rising again and the price of wheat appears to be at least momentarily stable.

Mr. Ackland: There is income tax.

Mr. JOHNSON: In town, too, everybody pays income tax.

Mr. Ackland: They pay heavily if the industry is prosperous.

Mr. JOHNSON: The individual pays according to his own prosperity and that is graduated in a scale well known to all of us. The interjection appears to have very little reference to the justice of this particular tax. There are direct subsidies to agriculture in this State in a number of ways.

Having looked at the Public Accounts, I notice that under special accounts there is £105,000 for the Agricultural Protection Board. Under Treasury Miscellaneous, there are: Item 54, Bulk Wheat, Lakes, Ravensthorpe etc.; 55, Dairy Cattle

Compensation; 56, Freight concession, stock and fodder; 59, Rail freight concessions on export grain; 60, Rail freight rebate on flour; 64, Road transport goods, Mt. Magnet-Sandstone; 65, Road transport goods various centres; 66, Road transport, wheat and super, Lakes district; 67, Road transport, wheat and super, Ravens-thorpe; 68, Road transport wheat, Jer-ramongup etc.; 69, Road transport, Yarromony; 99, War service land settlement, Stirlings. The total of these items, excluding Agricultural Protection Board, is £216,353.

Further amounts directly subsidising the agricultural industry are the expenditure of the Department of Agriculture which is £615,780, less revenue £160,132, leaving £455,658. There is the College of Agriculture, which I think should be regarded as a subsidy in the main to sons of farmers. The cost to the taxpayer is £35,709. Further sums to the Agricultural Protection Board amount to £23,332 and to the Bush Fires Board, £12,164. Under the heading of Department of Education, we give subsidies to agricultural education amounting to £58,837 and in the transport of children in regard to country schools, £942,660 and reimbursement of students railway concessions which would nearly all be in the country amounts to £29,245.

The total of these figures is £1,030,742. Country areas water supply costs the taxpayer £229,343. The other hydraulic undertakings in the country cost £233,521. State Electricity Commission South-West power scheme costs £92,301 while other country undertakings cost £41,943, making a total of £134,244. Once again the metropolitan scheme pays into taxation. The total of these few which I have extracted more or less at random is £2,505,766, a direct subsidy to agriculture out of the State's taxation bill. Out of Commonwealth funds administered by the State, there is a total for war service land settlement, agriculture extension, encouragement meat production, promoting efficiency in dairying and comprehensive water supply, amounting to £3,288,864. The grand total of these figures is £5,793,630.

I am not suggesting that none of that is warranted, but I am suggesting it should be taken into account that the taxpayers as a whole to subsidise agriculture and country life to a very great extent. To a very large extent that subsidy comes from the metropolitan area. It is indisputable that of the population in Western Australia, which was 670,750 when the last census was taken, the metropolitan area contained 365,000, leaving 305,000 in what the statistician regards as country areas. It will be seen it is probably fair to say that the metropolitan people put in half of that amount.

In this matter of taxation we, in the metropolitan area, are also going to pay our share and we have already paid a

fairly considerable share. Speaking for my own particular case—I can speak very feelingly because of the effect on my pocket—the land tax on my home went up from either 12s. 6d. or 16s. 4d. to over £4 a couple of years ago because of re-valuation. Naturally, not only I but a large number of my neighbours queried this, because it happened to all of us. I checked with the valuer and found that the valuation had not been changed since 1931, which was the time when land tax on agricultural property was discontinued. It was a time of depression and the values in the metropolitan area were low. They put it up about 18 months ago and we went up to over £4. We have made our contribution right through our district and I have reason to believe valuations have since been increased, but we must regard it as just. I have seen the method whereby that valuation was achieved and I find it difficult to argue that it is not fair. The fact that we do not like it, does not make it unfair.

There is just one point further to this: We have to consider this tax in relation to the overall finances of the State. The major point is that if we do not increase our income in some way, we must improve the yield from railway freights. I am sorry that the Government has taken the attitude that there should not be an improvement in rail freights, because I think those who use the service should pay for it. When the motion on the closing of certain lines comes before us again, I shall have a few words to say on this matter.

In regard to subsidies or taxes on agricultural land, I wish to refer to one very obvious subsidy, and that is the one on the haulage of wheat. The wheat producer is directly subsidised through the freight allowance, in his cost-of-production price. The freight factor in the cost of production is 13.15d. per bushel in W.A., which is part of a weighted average of 16.62d. over the whole of Australia. The average haul of wheat is 126 miles, in our railway system, and the freight is paid at a cost of 3.39d. per ton-mile, which is £1 15s. 7.14d. per ton or 11.54d. per bushel. Comparing the amount of 11.54d., which is the actual cost paid by the average wheat producer in Western Australia with the 13.15d. allowed in the cost-of-production figure, it shows that the wheat-farmer is gaining 1.7d. per bushel, if we take the Western Australian figures only, or 5.17d. per bushel if we use the weighted average figure.

I think the Western Australian figure is a fair one but I would point out that if that amount had been paid on the wheat that had been carried over our railways in the last year—some 859,000 tons—it would have yielded a total of £227,000, so that this represents a direct subsidy to the wheat farmer; and, I think, an unjust one. I would like to see the railways put

up that freight, and if that were done, it might be possible to exempt from land tax those whose land is of small value.

Mr. Ackland: Have you not left out some very important items in the cost of production of wheat?

Mr. JOHNSON: I am dealing only with freight.

Mr. Ackland: You are talking of the cost of production.

Mr. JOHNSON: I am taking the figures supplied by the Bureau of Agricultural Statistics.

Mr. Ackland: Ours is a 12-bushel average instead of 16.

Mr. JOHNSON: That is all allowed for.

Mr. Ackland: No.

Mr. JOHNSON: Yet, it is. I have the figures and can show them to the hon. member.

Mr. Court: Do you put this forward as an argument for imposing a land tax on agricultural land?

Mr. JOHNSON: I am saying that the agricultural industries are heavily subsidised by the taxpayer and it is only just that those engaged in agriculture should join those of us in the metropolitan area who pay the tax. It is just, honest, decent and reasonable that they should pay their share.

Mr. Court: You are overlooking one mighty factor, that the wheat industry subsidised this country to the extent of a heavy sum at one stage.

Mr. Ackland: Yes, £230,000,000.

Mr. JOHNSON: A long time ago.

Mr. Ackland: Up to two years ago.

Mr. JOHNSON: I think even that is no argument for failing now to do what is just. These subsidies have been going on since 1931; they have been going on not only when times were prosperous in the wheat industry and when it could stand the cost, but when times were difficult, not only in the wheat industry but with all of us. The wheat industry has deserved well of the people of Western Australia and it has been mighty well treated. I feel that the whole of our agricultural industry should get itself away from the peasant outlook of crying all the time, and should try to be realistic and fair because of the wealth of this country—not just the exportable wealth but the real wealth; the national income—farm produce is not the major factor.

Mr. Ackland: There would be a lot more unemployed in the metropolitan area if it were not for the wheat farmer.

On motion by Mr. Cornell, debate adjourned.

House adjourned at 11.36 p.m.

Legislative Council

Wednesday, 5th December, 1956.

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The PRESIDENT took the Chair at 4.30 p.m., and read prayers.

QUESTIONS.

MILK.

Treatment Plants and Supplies to Schools.

Hon. J. M. A. CUNNINGHAM asked the Chief Secretary:

(1) Who is chairman of the School Milk Advisory Committee?

(2) Is he the officer authorised to finally approve a registered treatment plant operator to supply school milk?

(3) Is it the policy of the School Milk Advisory Committee to contract directly with the treatment plants to supply school milk?

(4) When a treatment plant licence is issued to an operator, does this mean that he has met all requirements of the Milk Board of W.A.?

(5) Having obtained such a licence, is there anything to debar a supplier from contracting to supply school milk if the said milk is fit for human consumption and for children of pre-school age?

The CHIEF SECRETARY replied:

(1) The Public Health Commissioner or his representative.

(2) No. The Director of Education.

(3) There are no contracts for the supply of liquid milk. The supply of liquid milk to schools has been allocated by the Education Department, in the case of bottled pasteurised milk, to various treatment plants and, for raw milk, to licensed dairymen.