ADJOURNMENT OF THE HOUSE: SPECIAL

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [11.14 p.m.]: I move—

That the House at its rising adjourn until 2.30 p.m. tomorrow (Wednesday).

Question put and passed.

House adjourned at 11.15 p.m.

Legislative Assembly

Tuesday, the 21st November, 1967

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

ACTS (19): ASSENT

Messages from the Governor received and read notifying assent to the following Acts:—

1. Child Welfare Act Amendment Act.
2. Poisons Act Amendment Act.
3. Stock Diseases Act Amendment Act.
4. Land Act Amendment Act.
5. Supply Act (No. 2).
6. Local Government Act Amendment Act.
7. Electoral Act Amendment Act.
8. Weights and Measures Act Amendment Act.
9. Cremation Act Amendment Act.
10. Ord River Dam Catchment Area (Straying Cattle) Act.
11. Motor Vehicle (Third Party Insurance) Act Amendment Act.
12. Railway (Collie-Griffin Mine Railway) Discontinuance Act.
13. Plant Diseases Act Amendment Act.
14. Petroleum (Submerged Lands) Registration Fees Act.
15. Petroleum (Submerged Lands) Act.
16. Child Welfare Act Amendment Act (No. 2).
17. Railway (Midland-Walkaway Railway) Discontinuance Act.
18. Government Railways Act Amendment Act.
19. Fauna Protection Act Amendment Act.

BILLS (3): MESSAGES

Appropriations

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

1. Iron Ore (Mount Newman) Agreement Act Amendment Bill.
2. Acts Amendment (Superannuation and Pensions) Bill.
3. Loan Bill.

LOAN BILL

Introduction and First Reading

Bill introduced, on motion by Mr. Brand (Treasurer), and read a first time.

Second Reading

MR. BRAND (Greenough—Treasurer) [4.36 p.m.]: I move—

That the Bill be now read a second time.

This is purely a formal Bill which is introduced each year in connection with the Loan Estimates. It provides approval and authority for the spending of the moneys which have already been agreed to in the Loan Estimates which we debated and completed some little time ago.

The Treasury officers have given me some information which I think is of interest to members, and I would like to pass on their comments. As the House knows, loan raisings in the Commonwealth of Australia are approved and agreed upon by the Loan Council. The members of the Loan Council are the States, with one vote each, and the Commonwealth with two votes. Not only the Loan raisings for the States and the Commonwealth are agreed upon, but also the amount which local authorities and semi-Government authorities can raise through their own efforts.

During the last financial year the Commonwealth Government decided on a borrowing programme for State and Commonwealth works amounting to $645,000,000. That amount was raised from the following sources:—

Cash loans in Australia	$549,000,000
Special bonds in Australia	$22,000,000
State domestic raisings	$20,000,000
Overseas loans on the European market	$54,000,000
Commonwealth subscriptions to a special loan	$90,000,000

The special loan of $90,000,000 subscribed by the Commonwealth was provided to enable the authorised works programme of the States to be undertaken. The Commonwealth assistance on this occasion represented 14 per cent. of the total works and housing programmes, and was much less than the amount required in each of the two preceding financial years.

I mention these facts because they are of interest. Each year the Commonwealth undertakes to underwrite the amount so that the programme arrived at by the Loan Council—and agreed to—can be followed. I think the word "underwrite" is rather an exaggeration of the correct term which should be used. The fact that the Commonwealth undertakes to underwrite the loan money means that the States can go forward in the knowledge that the money will be available for their works programmes.

I do not think I can add any more to what I have said, and I commend the second reading.

MR. TONKIN (Melville—Leader of the Opposition) [4.40 p.m.]: As the Premier has said, this is more or less a formal Bill which gives effect to the decision to pass the Loan Estimates and, actually, is an approval by Parliament of the expenditure involved in those Estimates.

I just take advantage of this opportunity to say that recently, when making a study of the loan indebtedness of the various States and the Commonwealth, I was struck by the fact that the *per capita* loan indebtedness of the Commonwealth has continued to fall, whereas that of the States has continued to rise. This is a matter which I feel must receive consideration by the Commonwealth and the States in the near future, because it is creating a very unbalanced situation which ultimately might lead the States into a most difficult position. It seems to me that now is the time when attention should be given to this matter so that the Commonwealth itself will assume more responsibility in regard to borrowed moneys.

I would recommend to members that they examine this matter, and they will be surprised to see the *per capita* loan indebtedness of the Commonwealth as compared with that of the various States. We cannot allow this situation to go on without giving more attention to it, and I suggest to the Premier that he draw the attention of the Prime Minister to this situation in the hope it might be possible for some consultation to take place between the States and the Commonwealth with a view to correcting the position.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

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

BILLS (2): INTRODUCTION AND FIRST READING

1. Soil Conservation Act Amendment Bill.
2. Marking of Lamb and Hogget Bill.

Bills introduced, on motions by Mr. Nalder (Minister for Agriculture), and read a first time.

METROPOLITAN WATER SUPPLY, SEWERAGE AND DRAINAGE BOARD

Annual Report: Ministerial Statement

THE SPEAKER: I understand the Minister for Works has a statement he wishes to make as regards the annual report of the Metropolitan Water Supply, Sewerage and Drainage Board.

MR. ROSS HUTCHINSON (Cottesloe—Minister for Works) [4.48 p.m.]: I have for tabling the annual report of the Metropolitan Water Supply, Sewerage and Drainage Board for the year ended the 30th June, 1967, and as this report differs in some accounting procedures from the Auditor-General's report and, consequently, there is a difference in the surplus and deficiency, I felt it would be appropriate for me, at this juncture, with your permission, Sir, to read a letter from the Auditor-General in regard to the matter.

Mr. J. Hegney: We cannot hear you over here.

Mr. ROSS HUTCHINSON: It appears that an officer of the Auditor-General's Department has changed the accounting procedures used by the Metropolitan Water Supply, Sewerage and Drainage Board and, according to the Auditor-General's report there is an apparent deficiency of approximately $16,000.

Mr. Bickerton: That is neither here nor there!

Mr. ROSS HUTCHINSON: In the financial statement of the board a surplus of $233,000 is shown. The Auditor-General was asked for his comments on the matter and in order to apprise the House of the situation I intend to read a letter from him dated the 14th November, addressed to me, and headed, "Metropolitan Water Supply Board Financial Statement for Year Ended 30th June, 1967." It reads as follows:—

> My attention has been drawn to a difference between the Audit and Board presentations of these statements in relation to the newly created Provisions for "Rates Stabilisation $100,000" and "Repairs, Renewals and Replacements, $150,000".
>
> These Provisions are considered to be a reasonable precaution in a Concern of this nature and were agreed upon after consultation with the Audit.
>
> In my Annual Report to Parliament, the amounts involved appear as charges against the Revenue Account, whereas the Board has treated them as appropriations from the Accumulated Surplus.
>
> Whilst the final result remains unchanged, the effect on the statements is to convert the Operating surplus of $233,105, as shown by the Board, into an apparent deficiency of $16,895, as shown by the Audit.
>
> Each procedure has its merits and as the Board approach conforms with accepted accounting principles, there would be no Audit objection to the

form of presentation adopted, that is to record the true revenue surplus and create the Provisions from the accumulated surplus.

C. C. PRESS,
Auditor General.

The report and letter were tabled.

QUESTIONS (18): ON NOTICE

PARLIAMENT HOUSE

Chandelier Light Globes: Country of Manufacture

1. Mr. HAWKE asked the Minister for Works:

(1) Are the candle-type electric lamps used in the chandeliers at Parliament House made in Australia?

(2) If not, in which country are they manufactured?

(3) What steps does he propose to take to try to have the lasting quality of the lamps vastly improved?

Mr. ROSS HUTCHINSON replied:

(1) No.

(2) United Kingdom.

(3) The candle-type lamps usually available from stock have a filament rated at 240 volts and this is unsuitable for use at Parliament House as the voltage in this building is nominally 254 volts.

Up to August of this year 260 volt lamps had not been available; however, G.E.C. of England have now agreed to manufacture, as a special order for the Public Works Department. 260 volt candle-type lamps, and 5,000 have been ordered. This should considerably increase the life of the lamp when used at Parliament House.

LUCERNE

Conditions of Growth at Carnarvon

2. Mr. NORTON asked the Minister for Agriculture:

(1) How many cuttings of lucerne in a year could be expected from lucerne grown at Carnarvon?

(2) What weight of lucerne hay could be expected per cutting?

(3) Under controlled grazing conditions, what would be the average number of cattle that could be depastured per acre per year on fully established lucerne?

(4) What is the maximum salt content of water that can be used to irrigate lucerne and still retain the maximum production?

(5) How many acre feet of water per annum would be required to successfully grow an acre of lucerne at Carnarvon?

(6) Would it be economical to grow lucerne commercially on artesian bore water?

Mr. NALDER replied:

(1) Six cuttings could be expected.

(2) Eight-ten tons per acre per annum.

(3) Grazing irrigated lucerne is not recommended.

(4) Much depends on soil type, but under good soil conditions maximum yields can be obtained with water up to 100 grains per gallon.

(5) Water consumption would be approximately seven acre-feet.

(6) Yes, subject to quality and quantity.

COURTHOUSES

Kalgoorlie: Accommodation Improvements

3. Mr. EVANS asked the Minister representing the Minister for Justice:

(1) Further to my question on the 16th August, 1967, has the examination of the accommodation and facilities at the Kalgoorlie Courthouse now been completed?

(2) What improvements are planned for the Kalgoorlie courtroom facilities?

(3) When is it expected that these improvements will be commenced?

Mr. COURT replied:

(1) Yes.

(2) Sketch plans and estimates will be prepared early in the new year.

(3) This project will be included for consideration in the list of works to be financed from loan funds for the year 1968-69. The work will be undertaken as soon as funds can be allocated for the purpose.

POULTRY FARMING

Commonwealth Levy: Refunds to Growers

4. Mr. EVANS asked the Minister for Agriculture:

Referring to the Commonwealth egg levy, is he now in a position to advise when refunds to growers will commence?

Mr. NALDER replied:

This matter is currently under consideration including the requirement of approval of the Minister for Primary Industry for the payment of the individual refunds. It is not possible to state when the refunds will commence.

TRAFFIC ACCIDENTS

Overwidth Farm Machinery

5. Mr. McPHARLIN asked the Minister for Police:

(1) What is—

(a) the total number of traffic accidents involving overwidth farm machinery;

(b) the number of fatal accidents;

(c) the number injured;

for the two-year period ending as near as possible to the present date?

(2) What are the reasons for these accidents?

Mr. CRAIG replied:

(1) Without considerable research it is not possible to answer this question in respect of a two-year period. The following answers refer to one year; that is, 1966:—

(a) In 1966 there were 11 accidents involving agricultural machinery. It is not known whether the machinery was overwidth or not.

(b) One fatal accident.

(c) Seven persons injured in four accidents.

(2) Accident report forms disclose the following information in regard to causes of these accidents:

		Responsibility Agricultural Machinery	Other Vehicle
Careless or inattentive driving	2	1	1
Overtaking improperly	1	....	1
Inadequate or no rear lamp	2	2	....
Pace too fast for conditions	1	1	....
Dangerously parked vehicle	2	2	....
Inexperience as driver	1	....	1
Improper or careless left turn	1	1	....
Excessive speed	1	....	1
Totals	11	7	4

MOTOR VEHICLES

Trafficator Lights

6. Mr. GRAHAM asked the Minister for Traffic:

Why is it necessary, as it has been for nearly eight years, for all motor vehicles being licensed for the first time to be equipped with flashing lights to signal intention of turning to the left and to the right, whilst there is no obligation to give a signal of intention to turn left?

Mr. CRAIG replied:

It must be appreciated that many vehicles still on the road are not equipped with mechanical signalling devices. They have only been compulsory on motorcars registered for the first time since January, 1960. There is no recognised hand signal for a left turn or diverging movement.

The Australian Road Traffic Code Committee, currently sitting in Melbourne, is considering the following resolution instigated by Western Australia—

> As from 1st January, 1969, drivers making left hand turns and diverging left be required to make a signal by means of an automatic signalling device.

If adopted by the Australian Transport Advisory Council, this regulation will undoubtedly be incorporated in the Western Australian Road Traffic Code in due course.

Removal of Mufflers

7. Mr. JAMIESON asked the Minister for Police:

(1) Is he aware of the apparent increasing number of motor vehicles in the metropolitan area which are being driven with the muffler deliberately removed, particularly in the range of mini cars?

(2) What action is being taken against drivers to discourage this fad?

(3) Would he give consideration to having policemen on duty in the city area equipped with stickers showing work required on vehicles, similar to those issued to traffic police?

Mr. CRAIG replied:

(1) Yes.

(2) The offence of driving with an inefficient silencer and so emitting an undue noise is constantly receiving attention by the vehicle checking vans and the road patrol staff.

For the six weeks prior to the 14th inst., 171 prosecution briefs have been submitted. Of these, 85 offenders have been cautioned and others will be prosecuted.

(3) Foot constables performing general beat duty in the city do not normally examine vehicles. They have other duties and it is not desirable they undertake roadside examination of vehicles with resultant obstruction to the flow of traffic.

SCHOOL AT WEST YAKAMIA, ALBANY

Provision

8. Mr. HALL asked the Minister for Education:

(1) Is it the intention of the Government to build a primary school at West Yakamia, Albany?

(2) If so, when is it anticipated that work on the project will commence?

Mr. LEWIS replied:

(1) Yes.

(2) Not yet known.

FREMANTLE HARBOUR

No. 9 Shed: Lease

9. Mr. TONKIN asked the Minister for Works:

(1) What was the reason the Fremantle Port Authority leased No. 9 shed, North Quay, for commercial use?

(2) In what way will the commercial use of the shed contribute to the shipping activities of the port?

(3) When the Port Authority decided to lease the shed, were tenders invited?

(4) If "No," why was preference given?

(5) Who is the lessee?

(6) What are the terms and conditions of the lease?

Mr. ROSS HUTCHINSON replied:

(1) The shed has not been leased but discussions are in progress for the use of the shed on a short term basis for the storage of wool, there being a serious shortage of storage space for this purpose in the Fremantle area.

(2) The use of the shed for the storage of wool will relieve some of the congestion in the wool stores and assist in expediting the delivery of wool for shipment which is currently causing delays to shipping.

(3) and (4) Answered by (1).

(5) The shed is not leased. Elder Smith Goldsbrough Mort Ltd is the firm currently negotiating to rent the shed for the storage of wool.

(6) The short term conditions which will apply are under discussion, but generally they will be similar to those applicable to other covered space rented from the authority.

MENTAL HEALTH SERVICES

Resignation of Director, and Financial Allocation

10. Mr. TONKIN asked the Minister representing the Minister for Health:

(1) How much additional money was made available for mental health services as a result of the action taken by Dr. A. S. Ellis in tendering his resignation as director?

(2) After taking into consideration the additional funds and the $50,000 reported to have been erroneously omitted, what is the total amount of funds which now become available for expenditure this financial year for mental health services?

(3) On what date did Dr. Ellis tender his resignation?

(4) Will he table Dr. Ellis's letter?

Mr. ROSS HUTCHINSON replied:

(1) Nil.

(2) $4,791,600, an increase of $576,526 —or 13.6 per cent.—over last year's expenditure.

(3) Date of letter was the 14th September, 1967, with intention to resign on the 1st March, 1968.

(4) No. The resignation was withdrawn on the 2nd October, 1967.

SOIL CONSERVATION

Kunjin Brook Catchment Area

11. Mr. GAYFER asked the Minister for Agriculture:

What is the progress to date and the future programme of soil conservation in the area known as the Kunjin Brook catchment area, in which departmental officers are co-operating with the Kunjin Brook committee?

Mr. NALDER replied:

Several experiments at a number of sites were planned and in some cases, mainly due to seasonal conditions, results of experiments will not be conclusive. The remainder have not yet been harvested or assessed.

Two 50-acre catchments have been selected for runoff studies. Earthworks associated with the installation of recording equipment have been completed. It is expected that concrete works will be completed and instruments installed in the next few weeks.

Much of the future programme is dependent on the results of trials mentioned above. In 1968 it is planned to initiate a programme aimed at increasing the area protected with contour bank systems and improved pasture. A subcatchment of several thousand acres, consisting of a number of farms, is to be mapped and planned to include all principles and aspects of soil conservation farm planning.

KALAMUNDA HIGH SCHOOL

Additional Classrooms, Upgrading, and Sports Oval

12. Mr. DUNN asked the Minister for Education:

(1) Can he advise if the additional classrooms promised for the Kalamunda High School will be

ready for occupation for the commencement of the 1968 school year; if "No," can he advise when it is anticipated they will be ready?

(2) In view of the very rapid growth of the Kalamunda shire district and the anticipated increase of the rate of growth, when will the Kalamunda High School status be raised from a three-year to a five-year school?

(3) What action is being taken to provide water for the school oval?

(4) When will the damage to the spillways on the oval, caused by winter rains, be repaired?

(5) In view of the decision of the Kalamunda Shire Council to prohibit the use of the shire oval by school students, what arrangements have been made to enable students to play sport?

Mr. LEWIS replied:

(1) Erection of the classroom will commence this month. Completion is expected for the opening of the 1968 school year.

(2) The upgrading of the Kalamunda High School is under annual review. Upgrading will not take place until the number of post-Junior Certificate students makes it possible to provide the full range of specialist courses. Unless such courses are available, the students will be at a disadvantage compared with the facilities now enjoyed at the Governor Stirling Senior High School.

(3) No action can be taken until the shire dam is available for the watering of the oval.

(4) Work will be commenced shortly and completed before the beginning of the 1968 school year.

(5) While the shire oval is being renovated in 1968, the school will use its own facilities, supplemented by travel to other sports grounds as necessary.

TITLES OFFICE

Accommodation and Staff: Increase

13. Mr. DUNN asked the Minister representing the Minister for Justice:

(1) What is the cost to date of the investigation into the facilities and staffing of the Titles Office?

(2) Is he aware of the very poor facilities available to the vast number of the public who attend the Titles Office daily?

(3) In view of the exacting and specialised work being done by the assessors in the receiving room, can he advise when better working conditions will be provided?

(4) In view of the many titles transactions which are concerned with both the Titles Office and the Stamp Office, what plans, if any, are envisaged to make suitable Stamp Office facilities available to the Titles Office, in order to reduce the many man hours lost by having to leave the Titles Office and go to the Stamp Office before many dealings can be registered?

(5) What staff increases, if any, are being recommended by the investigators and when are such recommendations likely to be implemented?

Mr. COURT replied:

(1) $23,272. Total cost to be $23,520.

(2) Yes.

(3) Better working conditions for receiving room staff have been planned. The relocation of other staff to facilitate implementation of improved receiving room conditions is now being considered.

(4) Work is now in progress to accommodate the Stamp Office in the Treasury Building, thus providing Stamp Office and Titles Office facilities within the same building.

(5) Twenty additional staff have been recommended by the investigators. Of these, 14 confirmed temporary positions have already been created by the Public Service Commissioner. Recomendations have been implemented. In addition, the Public Service Commissioner has created nine positions in which staff are acting.

POLICE

Victoria Park: Increase in Strength

14. Mr. DAVIES asked the Minister for Police:

(1) What is the establishment in each of the following sections of the Police Force at Victoria Park—

(a) uniformed;

(b) road patrol;

(c) C.I.B.?

(2) When were increases last made in the establishment of each section?

(3) What were the increases?

(4) What is the extent of the areas under the jurisdiction of each section?

(5) How many vehicles are under the control of each section and permanently stationed at Victoria Park?

(6) Have the various sections access to other vehicles if necessary?

(7) If so, to what extent?

(8) Is it proposed to increase the establishment of any of these sections in the near future; if so, to what extent?

Mr. CRAIG replied:

(1) (a) General uniformed police—
1 Sergeant.
12 Constables (general duties).
1 Constable (Police Youth Club).

(b) Traffic—
1 Sergeant.
6 Constables on road patrol.
9 Constables on other traffic duties.

(c) C.I.B.—
1 Detective Sergeant.
3 Detectives.

(2) General Police—26th July, 1961.
Traffic Police—31st December, 1965.
C.I.B.—4th September, 1967.

(3) General Police—1 constable.
Traffic Police—1 constable.
C.I.B.—1 detective.

(4) General Police — Approximately 19½ square miles, which embraces Victoria Park, Kensington, Como, Manning, Bentley, East Victoria Park, Millen, St. James, Carlisle, Lathlain, and parts of Rivervale, Kewdale, Cloverdale, Newburn, and portions of Belmont, South Perth, and Queens Park.

Traffic road patrol—The metropolitan area east of the Causeway which embraces the 39-mile peg on Brookton Highway, the 37-mile peg on Albany Highway, and the 27-mile peg on South West Highway.

C.I.B.—From the Swan River foreshore between Belmont Avenue and Berwick Street, extending to include the Lesmurdie, Bickley, Carilla area; Byford on the South West Highway and to the 57-mile peg on the Albany Highway. This includes Maniana, Cannington, Gosnells, Kelmscott, and Armadale sub districts.

(5) General police—One sedan car and two motor cycles. In addition a vehicle from Central Station operates from 7 p.m. to 3 a.m.

Traffic police—Six motor cycles for road patrol and one van for accident inquiry staff.

C.I.B.—Two motor vehicles, augmented by patrols from C.I.B. Perth between 3 p.m. and 7 a.m.

(6) Yes.

(7) From Transport Department, Maylands, as and when required.

(8) The staffing of police stations is constantly under review. Victoria Park was increased recently by one detective and one motor vehicle.

Foot Patrols: Provision of Walkie-talkie Sets

15. Mr. DAVIES asked the Minister for Police:

(1) Has any progress been made in regard to providing policemen on foot patrol with "walkie-talkie" radio contact?

(2) If so, with what result?

Mr. CRAIG replied:

(1) and (2) For some time departmental officers have been testing personal two-way radio sets. These, however, have not been quite satisfactory.

Other sets are being obtained from overseas for testing.

COURT OF MARINE INQUIRY

Collision between "Andrew" and "Katameraire": Photographs, Witnesses, and Rehearing

16. Mr. GRAYDEN asked the Minister for Works:

(1) Do the three photographs presented as evidence to the court of marine inquiry in respect of the collision between the T.S.M.V. *Andrew* and the T.S.M.V. *Katameraire* show the extensive damage to the starboard rail of the *Andrew* which resulted from the collision? If not, why not?

(2) Is the position and state of the rope on the starboard side of the *Andrew* and other features about the photographs consistent with the claim that the three photographs were taken consecutively and in the circumstances described by his reply to questions 9 (1), (2), and (3) on Tuesday, the 31st October, 1967? If not, what is the explanation of this?

(3) In view of his reply to question 10(1)(f) on the 17th October, 1967, that "all witnesses known to the department gave evidence before the court of marine inquiry"—

(a) why was not a woman who was on the *Andrew* at the time of the collision required to give evidence;

(b) why were not other witnesses who could have readily been obtained to substantiate Page's statement regarding his departure time called to give evidence, bearing in mind the fact that the court was

aware that Page was a patient at the Hollywood Repatriation Hospital at the time of the inquiry?

(4) Does the fact that, apart from the statements of three witnesses from the Perth Flying Squadron who have come forward since to the court of marine inquiry, the witnesses referred to above also support statements made by Page on vital aspects of the collision, at the inquiry, constitute new and important evidence?

(5) If the reply to (4) is "No," what is required to have the case reheard under the section of the Western Australian Marine Act which states that the Governor shall order the case to be reheard either generally or as to any part thereof if "new and important evidence which could not be produced at the inquiry has been discovered"?

Mr. ROSS HUTCHINSON replied:

(1) The second and third photographs indicate the damage to the railing which resulted from the collision.

(2) No obvious inconsistency is apparent.

(3) (a) The witness, M. A. Vallis, who gave evidence at the inquiry stated that he was the only passenger aboard *Andrew;*

(b) The department was aware that these vessels carried passengers. In the initial reports of the incident made by the masters, certain persons were named as being able to give evidence relating to the incident. Some of these persons did attend at the preliminary investigation. Subsequently efforts were made to trace the remainder of such persons and those who could be found were interviewed and subsequently called at the inquiry.

(4) Before any opinion can be ventured on this, statements from the witnesses referred to are necessary.

(5) See answer to (4).

TOURISM

Coolgardie Project

17. Mr. EVANS asked the Minister for Tourists:

(1) What form is the next phase of the Coolgardie tourist project planned to take?

(2) When is this expected to be implemented?

Mr. BRAND replied:

(1) A goldmining museum in the Government buildings in Bayley Street.

(2) Discussions are now taking place with departments occupying space in the Government building with a view to rearranging accommodation. When a decision on this question has been made, planning will begin and the opening of the second phase should take place about May or June, 1968.

MILK AND CHEESE

Prices, and Solids Content

18. Mr. KELLY asked the Minister for Agriculture:

(1) What is the price paid at the "farmgate" to the producers of fresh quota milk?

(2) What quantity of surplus or over-quota milk was purchased by the following milk treatment plants in the last financial year—

Brownes Dairy Pty. Ltd.
Masters Dairy Ltd.
Sunny West Co-operative Dairies Ltd.?

(3) What is the price paid at the "farmgate" to the producers of fresh surplus or over-quota milk?

(4) What are the wholesale and retail prices charged by milk treatment plants for pasteurised milk which they have purchased from producers as surplus or over-quota fresh milk?

(5) Is it a fact that the Milk Board specifies that fresh milk for consumers must have a total solids content of 11.7 per cent. comprising, 3.2 per cent. fat and 8.5 per cent. solids-not-fat?

(6) Is it a fact that contracts are signed annually, between producers and milk processing plants which obligates producers to supply fresh milk with a total solids content of in excess of 15 per cent., comprising 3.5 per cent. to 3.8 per cent. fat and approximately 12 per cent. solids-not-fat?

(7) If the answer to (5) is "Yes," what is the reason that milk processing plants, which by law are only required to supply consumers with fresh milk of a total solids content of 11.7 per cent., stipulate that producers shall supply them fresh milk with a total solids content approximating 15 per cent.?

(8) Has the Milk Board any jurisdiction over the price that milk

processing plants shall wholesale or retail the following products:—
(a) cottage cheese;
(b) yoghurt;
(c) flavoured milk;
(d) fresh pasteurised milk?

(9) What are the current wholesale and retail prices being charged by the milk treatment plants for folowing products:—
(a) cottage cheese;
(b) yoghurt;
(c) flavoured milk;
(d) fresh pasteurised milk?

(10) Does the Milk Board specify the fat content of the following products:—
(a) cottage cheese;
(b) yoghurt;
(c) flavoured milk?

(11) What is the fat content of the following products:—
(a) cottage cheese;
(b) yoghurt;
(c) flavoured milk?

(12) Having regard for the fact that fresh pasteurised milk retails for 10c per pint in the metropolitan area, what are the component costs of such 10c?

Mr. NALDER replied:

(1) North of Pinjarra: 42⅝c per gallon. South of Pinjarra: 39 11/12c per gallon.

(2) Brownes Dairy Pty. Ltd. (including Coolup and North Perth) 1,460,227.
Masters Dairy Ltd. (including Wagerup and Bentley) 2,275,995.
Sunny West Co-op. Dairies Ltd. (including Boyanup, Harvey and Fremantle) 1,830,728.
Peters Creameries (W.A.) Pty. Ltd. 2,279,613.

(3) and (4) Surplus milk is purchased by companies for manufacturing purposes and the board does not fix the prices paid.

(5) The regulations prescribe that milk shall contain not less than 8.5 per cent solids-not-fat and not less than 3.2 per cent milk fat and not less than 11.7 per cent total solids.

(6) No.

(7) Answered by No. (6).

(8) The board is empowered to fix prices for milk consumed as such.

(9) For milk in one pint bottles maximum price to be charged to milkmen 60 5/6c per gallon, maximum price to be charged to consumers 80c per gallon—10c per pint.

(10) and (11) The board has no jurisdiction over these products.

(12) The average proportion of the retail price of 10c per one pint bottle of milk retained by each section of the industry is as follows:—

	Per Cent.
Cartage from farm to treatment plant	3.2
Dairyman	51.6
Country treatment	2.6
Tanker transport	2.1
Metropolitan treatment and bottling	16.5
Milkman	24.0
	100.0

QUESTIONS (4): WITHOUT NOTICE

STATE FARM AT DENMARK

Deputation and Sale

1. Mr. HALL asked the Minister for Agriculture:

(1) Did the Minister recently receive a deputation relevant to the retention of the State Farm at Denmark; if so, who were the members of such deputation and organisations represented?

(2) Has a final decision been made as to the retention of the State Farm at Denmark or the sale of same?

Southern Research Station: Establishment

(3) Can he advise whether final determinations have been made as to establishing a research station in the southern portion of the State?

(4) If the answer to (3) is "Yes," where will such research station be established, and when will work commence on the project?

Mr. NALDER replied:

(1) (a) Representatives of the Farmers' Union of W.A. introduced by the Assistant General Secretary, Mr. D. A. Dorricott. Mr. E. A. Ellis representing the Denmark Branch of the Farmers' Union.

(b) Representatives of Denmark Shire introduced by Mr. C. B. Mitchell, M.L.A.:
Mr. Thorn (President).
Mr. McCutcheon (Shire Clerk).
Mr. Richardson (Councillor).
Mr. Young (Councillor).
Mr. Burton (Councillor).
accompanied by The Hon. F. D. Willmott, M.L.C., and The Hon. V. J. Ferry, M.L.C.

(2) No.

(3) and (4) A decision has been made to establish a research station in this area. A number of properties have been inspected but no final decision has been made.

DILLINGHAM CORPORATION OF AUSTRALIA PTY. LTD.

Dry Dock: Contractual Obligations

2. Mr. TONKIN asked the Premier:

(1) When were arrangements completed between the Government and the Dillingham Corporation of Australia Pty. Ltd. enabling that corporation to commence investigations to test the feasibility of building a dry dock in Cockburn Sound?

(2) What are the nature and extent of the Government's firm contractual obligations to Dillinghams?

(3) What is the estimated cost to the Government in connection with the exploratory studies to be conducted by the corporation?

(4) Was any other firm given an opportunity to co-operate with the Government in the feasibility studies?

(5) If "No," why was the opportunity restricted to the Dillingham Corporation?

(6) If the feasibility studies establish the practicability and economic viability of a dry dock in Cockburn Sound and the requisite finance becomes available, would the Government be free to call tenders and negotiate, or is it irrevocably bound to engage the Dillingham Corporation to carry out the construction?

(7) Has it been agreed that if the Dillingham Corporation builds a dock in Cockburn Sound for the Government, the corporation will have the exclusive right to lease the worksite, dock, and wharves?

Mr. BRAND replied:

(1) The 17th November, 1967.

(2) Nil: beyond the permission to Dillingham's to bore to test foundations and otherwise study the feasibility of a major ship docking, surveying, and repairing industry.

If the project appears economically viable, detailed negotiations will follow.

(3) Nil.

(4) Yes. The Government has over the past eight years made it clear that it sought to establish an industry of this kind.

Several firms have shown interest, but in each case the firm concerned has withdrawn from further negotiations after preliminary studies.

All of this has been widely publicised, including efforts by the Minister for Industrial Development to interest major Dutch firms as far back as 1963 and as recently as his September 1966 visit to Rotterdam and subsequent discussions.

(5) See answer to (4).

(6) See answer to (2).

(7) It is logical to assume that if the study demonstrates a viable project, the Government would proceed with negotiations for an agreement with Dillinghams and it would be the corporation to lease and operate the facilities.

It goes without saying that we would have some moral obligations to give Dillinghams the first opportunity of discussing a firm arrangement in connection with this matter.

GERALDTON SLIPWAY

Leasing

3. Mr. SEWELL asked the Minister for Works:

(1) Was a tender received from Millman & Co., for the lease of the Geraldton slipway within the past three years; if a tender had been submitted, why was it rejected?

(2) What was the amount submitted for the tender and what conditions were to apply?

(3) Was the tenderer advised when the slipway was again to be put out for lease that it, Millman & Co., would be notified?

(4) Were the conditions of the proposed lease at this time to be that slippage charges were not to be increased and current rules and regulations were to apply?

(5) Has the slipway been leased to the Dillingham Shipyards Pty. Ltd.; is it being repaired prior to lease by the P.W.D.; and are slippage fees subject to increase?

(6) Why was Millman & Co. not advised; why were tenders not made public as required in the Act so that local organisations would have had the opportunity to make application?

(7) Are slippage fees to be increased as indicated?

(8) Will current rules and regulations apply, or will Dillingham Shipyards (W.A.) Pty. Ltd. have a sole monopoly? Will boat owners have the right to appoint their own contractors when their boats are on the slips without fear of future prejudice?

(9) Is the present system of removing boats from the water by crane for transport to outside workshops to be impeded?

(10) Will small boat engine repairs be executed by Dillingham Shipyards in Geraldton or Fremantle; and, if the latter, has some exemption been granted under the State Transport Co-ordination Act for it to remove them by road transport?

(11) Is there a waiting list of fishermen waiting to be allocated new boat pens; have Dillinghams been allotted four of the new pens; if so, when did it first make application for them; and is this allocation to the exclusion of boat owners already higher on the list than this company?

(12) Has Government assistance or Rural and Industries Bank guarantee been given to Dillingham Shipyards; and, if so, would similar assistance have been given to a local organisation to help establish it in this field?

(13) How are the housing needs of Dillingham Shipyards being met; are State homes being allocated; and, if so, are they being given priority over applicants at present on the waiting list?

(14) It has been indicated that new slipways are to be built on land now leased to Dillingham Shipyards; if so:—
(a) is it to receive any Government assistance in the erection of these new slipways, if so how; and
(b) what is to happen to the present slipways after completion of the new ones?

(15) As there are a number of established local industries engaged in the overseas shipping field in Geraldton and in general repair work, and as they are already supplying an adequate service, does Dillingham Shipyards intend to enter this field in direct opposition to already established local companies?

(16) Is Dillingham Shipyards to include the fabrication of heavy steel constructional work in its activities in direct competition with local established industry?

(17) Were any of the local organisations interested advised of the leasing of this slipway and other projects in connection with Dillingham Shipyards, such as the regional promotion committee, the Geraldton Town Council, the Chamber of Commerce, etc.?

The SPEAKER: Before the Minister answers I would like to point out that a question in 17 parts, without notice, is a little unusual. I do not think this gives the Clerks or myself much chance to have a look at it. I would also point out that the honourable member will be responsible for the accuracy of any information the question contains. The practice of asking long questions without notice is one that should not be encouraged.

Mr. ROSS HUTCHINSON replied:

The honourable member gave me notice of this question, but I am afraid I am not in a position to give him the answer at present. It might be known that a deputation was taken to the Minister for Industrial Development and this list of questions was submitted to him through that deputation.

Mr. Sewell: You are the Minister for Works.

Mr. ROSS HUTCHINSON: Yes. I may not be in a position even tomorrow to be able to answer the question, but if the honourable member places it on the notice paper, I will try to get the answer as soon as possible.

STERLING

Devaluation: Subsidies

4. Mr. McPHARLIN asked the Premier:

Owing to the devaluation of sterling and its impact on primary produce already sold in England, has the Government as yet taken any action to secure subsidies from the Federal Government to make up these deficiencies?

Mr. BRAND replied:

Speaking off the cuff, because the question came off the cuff, this matter of devaluation is, of course, the responsibility of the national Government. No doubt the very nature of the coalition Government Cabinet would have caused the Cabinet to look at every aspect of the impact of the decision not to devalue the Australian dollar. But, on the other hand, no doubt the Cabinet has given consideration, as has been implied in publicity, to the problem that arises as the result of its decision. As far as this Government is concerned, we have taken no action at this point of time, and certainly will not take any precipitous action without a thorough examination of the situation, because we want to make a responsible decision in the matter.

PUBLIC SERVICE ACT AMENDMENT BILL

Third Reading

Bill read a third time, on motion by Mr. Brand (Premier), and transmitted to the Council.

MARRIED PERSONS AND CHILDREN (SUMMARY RELIEF) ACT AMENDMENT BILL

Second Reading

MR. COURT (Nedlands—Minister for Industrial Development) [5.18 p.m.]: I move—

That the Bill be now read a second time.

When the Married Persons and Children (Summary Relief) Act was enacted, it, in effect, repealed part V of the Child Welfare Act, 1947, and affected the Guardianship of Infants Act, 1926. The intention of introducing that legislation was to repose in the summary relief court the jurisdiction previously exercised by the children's courts in the field of maintenance and custody of children, except with respect to neglected children.

The experience of the past two years has demonstrated that in certain areas gaps between the two jurisdictions have not been entirely closed and this was brought to the attention of Cabinet by the Minister for Child Welfare. As a result, the position was examined and the decision was made to introduce a Bill along the lines now before the House.

One of the points of particular interest contained in this measure comes in an amendment to section 5 of the principal Act to make provision for an application to be made in respect of partly self-supporting children up to the age of 18 years. This will permit the extension and variation of a maintenance order in pursuance of an application made under section 26 of the Act. This, taken with the definition of "dependant," enables a child, who is a ward of the State and who is receiving instruction in a training establishment, to benefit.

Sittings of the court for the hearing of applications for interim orders are being delayed at present because of the constitution of the court. Under this constitution, it is necessary for a justice of the peace to sit with the magistrate, even for cases which normally take only a few minutes and are of no finality. This causes unnecessary inconvenience. By adding a new subsection (3) to section 7, these applications can be heard by a magistrate sitting alone.

The interpretation of the expression "legal custody" in paragraph (c) of subsection (1) of section 11 has caused some difficulty. To obviate this difficulty, it is necessary to delete the word "legal." It is considered that this word can be interpreted as being a reference only to a custody order granted by a court, but this was never intended.

There is another amendment which will ensure that maintenance shall be paid to the clerk of the court. The clerk will thus be enabled to maintain a record of payments, being in a position to certify such record when necessary.

The amendment concerning "legal custody," as affecting section 14, will make it clear that the ancillary orders for maintenance depend on the making of the custody order.

Members will note that the word "committed" is being changed to the word "granted." The former word is, I suggest, generally associated with committal orders under other Acts and, therefore, the preferred word "granted" is now to be inserted.

Custody orders under the Act need to be restricted to children who are not already the subject of an order. To clarify the position, a new section is being enacted which will provide that a custody order shall not be made and, if made, shall be of no effect while the child is either a ward of the State or subject to a custody order in the Supreme Court of any State. Under section 16, a child, other than a child of the marriage, may be affected, and a suitable amendment is inserted to cover this point.

Interim orders, made on the grounds that divorce proceedings are pending in the Supreme Court, are at present being allowed to run on when there is clearly no intention of proceeding with the petition before the Supreme Court. It is proposed that these orders be limited to a period of 12 months with power to extend on application.

There is no provision for interim orders to be enforced as to arrears after they have ceased to have effect. To bring this into line with subsection (7) of section 22, a new subsection is being added.

Regarding the payment out of moneys under section 18, there is no provision for the clerk of courts to pay out moneys he receives; and for better administration of the section, subsection (8) is being repealed and re-enacted with amendments enabling the clerk, in his discretion, to do this, but there is a provision that, in case of doubt, he can apply to the court for directions.

Where an application is made under section 18 for preliminary expenses before or after the birth of a child, the court has power, under section 18A, to make an order in accordance with section 17 for future maintenance of the child. This necessitates another appearance in the court after the child is three months old and involves the parties in another hearing and further costs. To remedy this situation, a new section has been enacted to make provision for the court, in certain cases, to deal with future maintenance at the same time as the making of an order for preliminary expenses.

The amendment to section 19 is being made to ensure that the order speaks as to the person to whom moneys are to be paid. One of the material changes proposed by this measure is that of enabling

the person, for whose benefit a maintenance order or an order for preliminary expenses has been made, to apply to the court for an order for payment of medical expenses that cannot be met by the moneys resulting from the prior order. All States, other than ours, have such a provision.

There is no provision under the Act for the Director of Child Welfare to obtain a maintenance order for a ward of the State when, at the time of committal, no order was made or was required. There are many cases of this kind and it is therefore necessary to enact a new section—namely, section 19B—to make provision to cover them.

Under section 21, a party other than a "party to a marriage" will be involved in making application and an amendment is made to provide that application may be made by "a party to the proceedings."

A new subsection is introduced into section 22 to enable the Director of Child Welfare to make application under the section to discharge orders. Another amendment will enable the court to backdate an order, and for the arrears for any such period to be payable in a lump sum or by instalments. This is distinct from the periodical payments of future maintenance. This entails the insertion of a new section. "Lump sum" orders are not now permissible.

Section 26 at present enables a person with an order for custody to make an application, but, in view of the provisions in section 11 whereby an order for maintenance can be made without custody, an amendment is provided to enable a person having an order for maintenance of a child, but not custody, to apply to have it extended.

Another provision would enable a person, for whose benefit a maintenance order has been made, to forgo the enforcement of any provision that ought not properly to be enforced, while still enforcing others. For example, where a decree in divorce that provides for maintenance of a wife and children is registered for enforcement in the court and the wife remarries, she is unable by reason of the provisions of the Justices Act, 1902, to enforce the order as to maintenance of the children only. Though one or other of the parties to the divorce could have the decree amended, this would be a costly procedure and could occasion unnecessary financial hardship to one or both of the parties or their children.

Under the provisions of our Act, the court fixes in advance a penalty of imprisonment that is to take effect upon default of payments or maintenance or the like. Where it was sought to enforce such an order in Queensland, the view was taken by legal authorities there that, as the sanction was already imposed by the original order, the Queensland courts could not enforce it in terms of their Statute. Their Statute provides for the fixing of the penalty only after default. Provision has been made accordingly in this Bill for the court, on the application of the collector of maintenance, to delete from an order, sought to be enforced outside the State, the penal provision that was imposed in advance. Conversely, upon the return to this State of the person against whom the order was made, the court is enabled to restore the penal provision.

As regards the provisions in section 29, I might mention that a child other than a "child of the family" may be affected, and therefore the words "of the family" have been deleted.

The definition of "interstate order" in the Act does not provide for the transfer to another State of an order of another State registered in this State for enforcement. Amendment is therefore sought to permit the transfer of any order registered to be enforced between States.

Another amendment adds a passage to section 55 with a view to clarifying the position as to orders made in the Supreme Court of another State.

Section 62, as it stands, does not make it clear that courts are not to go behind the order but are to enforce it according to its terms. It is hoped that all States will amend this section, as provided by this clause, to make the point clear. A further necessary subsection has been added to provide for enforcement of orders that have ceased to have effect as regards outstanding arrears.

As regards section 67, all States need to add a subsection similar to that to be added by this Bill to provide that the collector informs the court making a provisional order of the result of the proceedings taken to confirm it.

The amendment to section 97 requires no elaboration, I think, as it merely makes provision for a certificate of the clerk to be produced as *prima facie* evidence. There was some earlier reference which I made with regard to the clerk being enabled to certify the record of payments. That is a case in point.

Provision is required to be made in section 99A for the case where a child becomes a ward of the State, so that any moneys received under a maintenance order concerning that child shall be paid to the Director of Child Welfare and, further, that the director shall become a party to such order so far as it relates to that child. The new section 99A is therefore enacted.

Finally, further and more adequate protection has been provided in the Bill for justices issuing warrants in reliance of orders made and affidavits sworn, that may be, but are not on the face of them, effective or incorrect.

In conclusion, I would mention that, in addition to the main provisions contained in this measure, opportunity has been taken of incorporating other amendments that will assist either in the interpretation of the provisions of the Act or in its administration.

This measure has been before another place and has been passed on to us for consideration. Members will find it really incorporates a lot of matters which arise out of experience in trying to achieve a more workable and, in many cases, a fairer situation than at present exists. From time to time this proves to be necessary. I commend the Bill to the House.

Debate adjourned, on motion by Mr. Brady.

CHIROPODISTS ACT AMENDMENT BILL

Second Reading

MR. ROSS HUTCHINSON (Cottesloe—Minister for Works) [5.30 p.m.]: I move—

> That the Bill be now read a second time.

This Bill seeks to amend the legislation which was first passed in 1957. The original Bill was presented to Parliament by a private member. Since then, it has proved to be a useful piece of legislation.

A few months ago, the Chiropodists Registration Board took legal action against an individual who was practising chiropody without being registered. The case raised a number of points, both legal and otherwise. This focused attention on the desirability for several changes and improvements, which are contained in the Bill now presented.

The original definition of "chiropody," in section 3 of the Act, was framed in a manner that left a great deal of room for uncertainty. It defines chiropody in fairly clear terms, but goes on to provide two additional avenues through which this definition could be expanded or varied. Firstly, it includes the words "or by any other methods as may be proclaimed." There appears to be no need for this expression and its existence clouds the meaning of the definition. It is, therefore, proposed by this Bill to delete these words.

Similar remarks could be made in relation to a further passage included in this definition. I refer to the words "and are included in the curriculum laid down in the rules made under the Act." It would follow that any change in the course of training would automatically vary the meaning of "chiropody." The Bill proposes that this passage also be deleted.

As a consequence of the points which have been mentioned, it would also be necessary to remove the definition "proclaimed method," which also appears in section 3 of the Act.

Section 8 of the Act sets out the various matters in relation to which the board is empowered to make rules. The final paragraph (g) of subsection (1) reads "for any other matter which the Governor may declare to be a matter in respect of which rules may be made by the board under this section." This subsection provides a means of expanding the scope of the powers exercised by the board, without reference to Parliament. This is a questionable principle and the Bill provides for the paragraph mentioned to be deleted.

Section 10 of the Act sets out conditions which must be met by an applicant who seeks registration. Paragraph (b), as it stands, has some unsatisfactory features and is not along the same lines as the corresponding provision in Acts which have similar purposes in relation to other professions. This particular provision is commonly referred to as the grandfather clause and relates to people who were earning their livelihood in this profession at the time the Act was introduced, but who did not hold formal qualifications.

The paragraph applies two tests which are unusual. Firstly, the applicant is required to satisfy the board that he was *bona fide* engaged in the practice of chiropody. The difficulty here is that the board could make it impossible for a person to qualify, simply by declaring that it was not satisfied. The paragraph also requires an applicant to prove competence. This is an unusual requirement in a grandfather clause. The Act and the rules also fail to specify the standard against which competence must be proved. In such circumstances, it would be very easy for the board to exclude a great number of applicants. The intention of any Act of this kind is to preserve the right of persons who were engaged in the profession before the law was introduced to follow that profession in the future.

A further point relating to this same paragraph is that it requires applicants to have practised chiropody for 24 months out of the period of three years immediately preceding the commencement of the Act. It is usual, in Acts of this kind, to allow the period of practice to fall within a period of five years preceding the commencement of the Act.

The effect of paragraphs (a), (b), and (c) of clause 4 of the Bill is, therefore, to reframe paragraph (b) of section 10 of the Act to read "he was *bona fide* engaged in the practice of chiropody in the State for at least 24 months during the period of five years immediately preceding the commencement of this Act."

Clause 4 also seeks to add a subsection (2) to section 10 of the Act. The purpose is to establish a right of appeal to a court of petty sessions whenever the board refuses to register an applicant, or removes the name of a chiropodist from the register. This would also apply where the

board refused to restore the name of a person to the register in any case where the name had been removed and also where the board refused, or cancelled, a license to practise. Appeals under this provision would have to be made within three months of the board's decision.

Clause 5 of the Bill provides for the repeal of section 14 of the Act. This follows naturally on the deletion of the interpretation "proclaimed method."

Earlier I made reference to certain court action taken by the board. It was argued during these proceedings that there had been uncertainty as to the validity of the board as first appointed and that the Act was defective in making provision for these matters. Clause 6 of the Bill provides that all appointments of members of the board, since the 4th January, 1960, be ratified and validated.

Debate adjourned, on motion by Mr. Davies.

ALUMINA REFINERY AGREEMENT ACT AMENDMENT BILL

Second Reading

Debate resumed from the 15th November.

MR. MOIR (Boulder-Eyre) [5.37 p.m.]: The purpose of the amending legislation is to make provision for a very rapid expansion which is projected to take place in the alumina refinery. I would like to say that it is very pleasing to see this rapid expansion taking place.

The Minister stated that, when the original agreement was negotiated, the refinery contemplated an output of 210,000 tons of alumina per annum. Although the agreement contained a degree of flexibility in its provisions, the present position was not envisaged. Of course, the agreement, as negotiated, did not provide for the events that are now contemplated.

The Minister stated that at the end of 1969 four units with a total capacity in excess of 800,000 tons per annum will be operating. That is quite a big uplift in the capacity of the plant to refine bauxite into alumina. The Minister indicated that this large growth poses some problems which must be overcome, and he listed two of them. Firstly, as far as the Government is concerned, there is the problem of providing sufficient land to cater for the expansion of the plant. However, according to the plans which the Minister tabled, evidently that problem has been taken care of successfully. The second problem is the provision of adequate railway rolling stock to handle the greatly increased tonnages of bauxite. The second problem raises the question of the extension of the railway line further into the bauxite deposits and for provision to be made at the refinery end so that a railway can be shifted from one side of the refinery to the other. This last aspect is to be overcome by putting a third rail on the standard gauge track. As far as the rolling stock and the railway alteration are concerned, the Government is not being called upon to provide the necessary funds.

I think it is a very good idea for a company such as this, which is able to find the money, to provide these facilities. This is especially so because of the manner in which they will be provided; that is, on the basis that the Government will lease the facilities and will have the opportunity of purchasing the rolling stock and the alterations to the railway system some time in the future.

Another provision in the Bill clears up a legal point as to whether the Government is committed to deepen the harbour for berthing purposes to a depth of more than 38 feet, which work is presently being carried out by the Government. This is a legal point which has evidently been clarified. Previously there was some doubt on this point, but the amending legislation makes the situation clear.

As the Minister has pointed out, with the expansion of the refinery there will be an opportunity for quite substantially increased employment. The Minister said that 475 people form the workforce at the present time, but this figure is expected to increase to 670. This is a fairly substantial increase.

The Minister also mentioned the other local products which are used in the manufacturing process. Starch is used in the refining process, and the Minister mentioned the quantity of wheat which is used. I must say that his figures surprised me. I had no idea that was the position, and I would think that very few people either in this Chamber or outside would realise so much was involved. I am sure many people would be amazed to know that, of all products, wheat is used so largely as an adjunct to the refining of bauxite.

Apart from the benefit of added employment, other benefits flow from this industry. Railway revenue is boosted. I notice that the freight rates were, of course, originally quoted in pence, but the amending legislation contains a provision for these rates to be converted into cents. When the Minister replies, I am sure members will be interested to know what the overall revenue will be; that is, say, the annual revenue on the present tonnage and the annual revenue that will accrue through the railway system from the increased tonnages. The Minister may not have the figures available, but I am sure all members will be interested if he can give us an idea.

In addition, there is the revenue the Fremantle Port Authority receives—the large sums of money in wharfage dues. Again, we do not know exactly what amount of money is involved. Also, there is the re-

venue which is received by the Mines Department for royalties. Here again, we do not know what revenue is involved. We could probably go to the trouble of working it all out, but I think it would have been informative if the Minister had given us these figures.

In addition to the direct money, there are the fringe benefits—if I may term them that—of the local firms engaged in both the construction of, and the supply of materials for, this project. All projects of this size use a large amount of supplies of different kinds and quite a lot of money is represented in the services that are needed. My mind goes to the goldmining industry; one just cannot visualise how far the benefits do expand. I think of it as throwing a stone into a pond of water. The ripples keep on going out wider and wider.

In fact, all these projects bring in their train great benefits not only to the areas in which they are situated, but to the State in general; and, indeed, the benefits are felt by many people throughout the Commonwealth. The Minister mentioned that perhaps in 1976 a smelter would be built in this State. One is entitled to assume that Kwinana would be the site, but it is not certain that it will be situated there of course. It is a great pity the State has not enjoyed the benefit of the smelter from the inception of the project in Western Australia.

One wonders how the present circumstances have altered in relation to the smelter proposition in comparison with the circumstances in 1961 when the agreement was first made. Evidently at that time the building of a smelter was not an economic proposition. Since then we have seen the raw material being refined and exported to Victoria. Such a situation means that the economy of Victoria is enhanced, because it provides more employment and confers on the people of Victoria other benefits which rightly belong to this State. I feel that at the time the agreement was signed an opportunity was missed to establish a refinery in Western Australia.

Perhaps efforts were made to have the refinery established here, because there is no doubt the State was in a wonderful bargaining position in view of the fact that the bauxite deposits are so extensive and that this company was granted what amounts to a monopoly of the bauxite deposits in the Darling Range. Nevertheless, a refinery in this State would be most welcome even if it is 1976 before it is established. I cannot help but regret, however, that we have not the refinery now.

The railway is to be extended from the present railhead to a distance of a little over three miles. I notice that it seems to terminate in an area called Wungong. That name struck a chord in my memory. I can recall mentioning in this House a few years ago that there were other mineral deposits in this area, and when the people who were interested in them approached the Government for the right to mine there they were told that permission could not be granted because the deposits were in a water reserve called Wungong. It seems odd to me that bauxite is now being mined in this area, and yet a few years ago people were refused permission to mine other minerals because it was a water reserve.

I cannot understand the refusal, because the activity envisaged with the mining of the other minerals would have been the same as the activity resulting from the mining of bauxite. The mineral deposits would have been mined, and there would have been surface operations but the water reserve would not have been disturbed any more than it is by the mining of bauxite.

One does not know all the circumstances of these propositions, but I did have some knowledge of the proposition for the mining of other minerals at the time it was mooted, because the parties concerned came to me for advice in the matter, and when they were refused permission by the Government to mine these other minerals, I had to advise them that apparently it was Government policy not to allow mining on a water reserve. Of course, I also knew at the time that the bauxite reserves were included in that area and I was interested to see what happened when Western Aluminium N. L. wanted to mine bauxite.

Apparently the Government has no objection to the mining of bauxite by that company because the water reserve is well within that area; in fact, as far as I am aware, the deposits are on the water reserve. As I said previously, it is very pleasing to see this extension of the alumina refinery operations taking place, and probably one can expect that in the years ahead other extensions and improvements will be made to the plant; because there is no doubt that aluminium is being used for all kinds of purposes for which it was not used a few years ago. With the extension of the use of aluminium into other fields, the demand for this metal will increase; and we certainly seem to have unlimited supplies of bauxite. It is not hard to envisage, therefore, that in the years to come, instead of this alumina plant being equal in size to some of the other plants in the world, it might be larger than those other plants. I support the Bill.

MR. RUSHTON (Dale) [5.52 p.m.]: I support the Bill, and commend the Government on the obvious success it has had in promoting this industry. I am sure all members are delighted to see this activity progressing and expanding, and we look

forward to the time when, with the upgrading of the plant, aluminium, the final product, will be produced. It was my desire to speak briefly to the Bill, because to a major degree the activity has taken place in my electorate. I listened with interest to the figures mentioned by the Minister the other evening. He said that with the proposed increase in activity the plant would be using starch to the same degree that bakers would use flour to produce sufficient bread to feed a community of 120,000 people.

I can assure the Minister that bakers are looking forward to the industry's continued success, because they will be happy to turn out all the bread they are asked to produce to feed the increased population. The Shire of Serpentine-Jarrahdale, which is closely associated with this activity in the hills in close proximity to Jarrahdale, is certainly looking forward to participating in the future success of the industry and the increase in population in the area. The shire sees the industry as a project it wishes to foster and assist; and it wants to share in the benefits that will accrue from its successful operation.

However, I wish to mention one aspect associated with this great activity. Those members who have visited the area will realise there are several orchard properties in the district owned by settlers who have been there for many years and, with the recent development of the construction of the road to service some of the activities associated with the project, they have, to a degree, been detrimentally affected. I have made an inspection of the area with the shire president and shire clerk and there is a move afoot to ensure that the local people will receive adequate compensation should they suffer damage in any way as a result of the alumina project.

I would mention, so that my remarks may be recorded at this stage, that it is essential for precautions to be taken at the outset to ensure that these good people who have been settlers in the area for many years do not suffer in any way. Their orchards are situated not far from the crushing plant, and the dust and the general residues from the plant could cause them some concern. Therefore I think it is timely to mention that these people should receive every consideration when the question of compensation is considered.

There is a road to be constructed which could bypass some of these properties. I know the shire is giving this question every consideration, because it feels it is most desirable that the general flow of traffic along what is considered to be a tourist road should continue to pass these orchards, the owners of which, in the past, have earned some of their income from the passing traffic. I am delighted to see this project enjoying so much success and that its activities will be increased; and I am sure we are looking forward to the day when aluminium, the final product, will be manufactured in this State. I support the Bill.

MR. COURT (Nedlands—Minister for Industrial Development) [5.56 p.m.]: I thank the member for Boulder-Eyre and the member for Dale for their comments on the Bill; I particularly thank the member for Boulder-Eyre for his summation of the main objectives of the measure. Dealing with the points raised by the member for Dale first, I assure him I will bring them to the notice of Mr. Wahlsten, the manager of Western Aluminium No Liability in this State. Although Mr. Wahlsten is not a native of this country, he is a person who has absorbed very quickly much of the spirit of Western Australia, and I have never known a person with whom I have had to deal in industry who, in regard to the activities of his company, is so anxious to be neighbourly.

This is very evident when matters governed by the Clean Air Act and other matters concerning his company are raised. Always his desire is to cause the minimum of inconvenience and to try to be neighbourly in anything concerning the company's activities. The points raised by the member for Dale are well made and I will personally bring them to the notice of Mr. Wahlsten with a view to having an inspection made and, if possible, having the member for the district present. I realise that whilst it is not of great importance to some people, the fact that the tourist roads will pass through the properties of the old-established settlers could mean the difference between a good living and "just a living" to some of these people. This matter will be given due consideration.

The member for Boulder-Eyre asked if I could, when replying to the debate, mention, in terms of actual revenue, the amount of railway freight we expect from the various tonnages. I am sorry I have not brought the figures with me, but at question time tomorrow I will make it my business to supply these figures to the member for Boulder-Eyre if this is satisfactory to him. In conjunction with the Minister for Railways, I have produced some figures, but I would not be able to recall them accurately enough at the moment, and it would be more satisfactory if I supplied them to the honourable member tomorrow, particularly as the figures are on a graduated basis; as the tonnages escalate, so the costs per mile are reduced.

The point raised by the member for Boulder-Eyre on mining activities generally was well made. We are all inclined to overlook the point he made, namely, that the consequential benefits from this industry are like eddying circles in a pond,

because as this industry progresses and grows, it is literally the butcher, the baker, and the candlestick-maker who all enjoy some benefits somewhere along the line. In 1961, at that stage of our development programme, it was stated that for every 100 new jobs created, the "eddying circles" from such industrial expansion produced another 216 jobs. Of course, as the place becomes more firmly established the percentage varies considerably.

In other words, if a new industry were established and 100 men were employed in it, the consequential benefit would be the creation of 216 jobs. That number would have to be multiplied again to project it into the number of families which would benefit.

On the question of the establishment of a smelter, I assure the honourable member that we fought very hard at the time to have one established here; but the economics were strongly against us on two counts. The first was the lack of volume near a substantial market, and the other was the power cost. It is general knowledge that the company was able to negotiate a power arrangement in Victoria at about 5 mills, or 0.5c, per unit. As far as we were concerned this, of course, was right out of our reach.

It has to be realised that the greatest single cost in the production of aluminium from alumina is power; and I think two-thirds of the cost is represented in the power used. It is normally regarded in industrial circles as being a raw material for the production of aluminium, strange though the term might be.

I cannot promise that by 1976 we will have power available at 5 mills per unit. I doubt it very much. However, we will have power by then on a negotiated basis —where the companies have to take the off-peak burden to a certain extent— which will then be within manageable limits. We will certainly get below 1c a unit, and down to the category where we can justify a smelter, because the whole scene has changed in respect of outlets almost overnight. At that time we could not contemplate any production of aluminium ingots for export, but by 1976 we will be able to achieve this. We have seen the first success of the Japanese purchases from Geelong. As I indicated when I introduced the second reading of the Bill, this is of direct benefit and interest to us all in our ultimate objective to achieve the establishment of a smelter.

One way in which the cost of power can be brought within manageable limits is to use the technique which is operating in some parts of the world, and which we are currently examining in anticipation of the future needs of industries that require a low power cost; that is, to adopt a system under which the industry provides a certain amount of plant which is not necessarily low operating cost plant, but is comparatively low in capital cost, and by a method of automatic switching, the industry takes up a percentage of the community's peak hour load. As members are aware the off-peak and on-peak graph shows a very wide range of demand.

It is the wide range of demand which creates the greatest problem for any community generating system, such as the State Electricity Commission system, because between 5 and 7 p.m. the system has to be ready to cater for a tremendous upsurge of power. A lot of this plant works for only three or four hours—some of it for seven or eight hours—a day, and so it goes through the various stages of the 24 hours of the day. If it is possible, for an industry which is a big user of power, to install a certain amount of its own plant, which might not be low in operating costs when it is worked but is comparatively low in capital cost, then by a switching arrangement a lot of the capital, as well as the cost burden, of the generating authority is avoided; and thus the overall cost to both parties is reduced.

The comparatively costly power which the industry has to use for one or two hours at a time—or maybe three or four hours a day—is manageable when taken in balance with the cheaper price which the State Electricity Commission or a similar authority can give to the industry, as a result of savings in its own capital investment. In other words, this type of plant introduced by industry under a precontracted basis increases the overall usage reached by the installed plant. The community plant—in the form of the S.E.C. plant in this instance—will be operated with a smaller difference between the high and low demands, or the off-peak and on-peak periods. This is the type of negotiation we have currently under consideration. I think this will be the answer as we get closer to 1975 or 1976, if not before. I thank members for their support of the Bill.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

MR. COURT (Nedlands—Minister for Industrial Development) [6.7 p.m.]: I move—

> That the Bill be now read a third time.

I apologise to the member for Boulder-Eyre, because I forgot to deal with his inquiry in respect of water resources during the second reading. The situation is this: There is a very tight arrangement between the company and the department in respect of the actual mining practices. The company is most

anxious to play its part: and the Minister for Works and Water Supplies is equally, if not more, anxious that the right thing be done in protecting this area.

In view of the extension programme that is currently being undertaken, arrangements have been made for an intensification of the liaison between the company and the technical officers of the Minister for Works and Water Supplies, so that there will be no doubt about the actual protection of the public interest in respect of water resources. That was the main reason why at the time the people referred to by the honourable member landed into some difficulties. I do not know whether they have raised the matter more recently with the Minister for Mines. There is no doubt that the Minister for Works and Water Supplies is very vigilant of the public interest in connection with this water catchment area.

Question put and passed.

Bill read a third time and transmitted to the Council.

KWINANA-MUNDIJONG-JARRAHDALE RAILWAY EXTENSION BILL

Second Reading

Debate resumed from the 15th November.

MR. FLETCHER (Fremantle) [6.9 p.m.]: In explaining the Alumina Refinery Agreement Act Amendment Bill, the Minister for Industrial Development gave the need for the Bill which is now before us. He explained that in effect this Bill is complementary to the one we have just passed; that it appears to have arisen because of the increased capacity of the alumina refinery; and that, as a consequence, it appears the industry requires increased access to the raw material of bauxite.

The Bill to extend the Jarrahdale-Mundijong railway does not in any way directly affect the area in the proximity of Fremantle. I gave an undertaking to the member for Boulder-Eyre, who took the adjournment, that I would resume the second reading debate, because I assumed the Bill would affect my electorate. However, I have since found it does not. The new line will connect up with the crusher system which has been established in the hills district.

As the Minister has explained, because loan funds were not available the company has provided the necessary finance for the extension of the line and for the provision of the rolling stock. It appears that later on these assets will be leased to the State Government, which will have the right to purchase them at a subsequent date. The hire-purchase reference made by the Minister for Industrial Development appears to be associated in some way with the acquisition by the Government of the line and the rolling stock at some subsequent date, possibly on the basis of a down payment of $1 and instalments of 10c a week. It appears that railway revenue will improve as a consequence of freight to Fremantle, as will the revenue of the Fremantle Port Authority.

I thank the Minister for Railways for tabling the plan. This has been the means of clarifying the position, because I had assumed that part of the extension would pass through the coastal area. The plan shows that the extension is well inland. It will not encroach on the territory of Fremantle, and so will not incommode the market gardens, the industries, or the residents in any way.

Mr. Rushton: There are more areas in this State than Fremantle.

Mr. FLETCHER: I understand that. I realise that to some extent the line interferes with properties in the honourable member's electorate. I am grateful that it does not incommode the people of Fremantle, but I am sorry it does interfere to some extent with the constituents of Dale. If the railway extension did intrude and did incommode the interests of the Fremantle area, then I can assure members they would hear about the matter.

Members opposite may not believe me when I say that I cannot find anything to argue about in the Bill, and as a consequence I support it.

MR. O'CONNOR (Mt. Lawley—Minister for Railways) [6.13 p.m.]: We all realise that the member for Fremantle is not an argumentative type, and I thank him for his support of the Bill. As I have pointed out, the purpose of the extension of the railway line is to increase the area from which access can be made to extract bauxite. Whilst the Bill does not interfere with the constituents of the Fremantle electorate, I am quite sure that many of them will benefit from the increased operations of this project. The Minister for Industrial Development dealt with most of the points of this Bill when he spoke on the measure we have just passed.

Question put and passed.

Bill read a second time.

Sitting suspended from 6.15 to 7.30 p.m.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Mr. O'Connor (Minister for Railways), and transmitted to the Council.

SOIL CONSERVATION ACT AMENDMENT BILL

Second Reading

MR. NALDER (Katanning—Minister for Agriculture) [7.36 p.m.]: I move—

That the Bill be now read a second time.

The soil conservation service is associated with the overall aspects of soil conservation and problems of erosion control as they affect individual farmers, groups of farmers, local government bodies, and Government departments.

The Soil Conservation Advisory Committee, appointed under the Soil Conservation Act, 1945-1955, serves as a means of liaison between the departments and other organisations concerned in matters relating to soil conservation. This committee at present consists of eight members who are—

The Commissioner of Soil Conservation—ex officio.

A representative of each of the Departments of Agriculture, Lands and Surveys, Public Works, and Forests.

Three primary producer members—

one representing the pastoral areas;

one representing the agricultural areas with more than 20 inches average annual rainfall; and

one representing agricultural areas with less than 20 inches average annual rainfall.

For some time past, the pastoralists and farmers' organisations have made reference to the appointment of a committee or an authority to better co-ordinate all activities relating to soil and water conservation. The Soil Conservation Advisory Committee could, however, with increased representation, function with this objective in mind and this amendment proposes to increase the membership of the committee by two members.

At present the activity of the service is concentrated more on the wheat and cereal areas. Due to the existing erosion problems, the amount of land sown to cereals, and the associated erosion problems, it is expected that the emphasis on work in these areas will continue for many years. One of the additional committee members will therefore represent those areas with an average annual rainfall of less than 20 inches.

The other committeeman will represent the Main Roads Department. This department, by virtue of its road structures, greatly influences the movement of water and is also affected by problems of roadside erosion. The active co-operation of this department is therefore considered vital and the best way of achieving this is to give it direct representation on the committee.

A further amendment enlarges the number of committeemen required for a quorum. At present when eight members constitute the committee, a quorum consists of five members; it is reasonable that this number should be increased to six with the increase in the number of members of the committee to 10.

The amendment also provides that the Act shall come into operation on a date to be proclaimed. This is desirable so that the two new members of the Soil Conservation Advisory Committee can be appointed before the legislation becomes operative.

Without a doubt, I think it is an important committee, which has acted in the past in an effort to assist the Government to improve the situation—with the co-operation of farmers and pastoralists—and to counter soil erosion. A lot has been said, from time to time, with regard to the effect of taking a lot from the soil and not putting sufficient back into the soil. This is a problem of great magnitude, not only in this State and in Australia, but also in other countries of the world.

Through the activities of this committee we hope to be able to make a valuable contribution to the conservation of soil, and be able to advise various departments of the best methods to achieve still greater results in the conservation of our soil. I also believe the conservation of water goes hand-in-hand with the conservation of soil.

This amendment to the Act is designed to increase the size of the committee so that it will have greater representation and be able to cover the whole situation and advise the Government what action should be taken to improve the situation in Western Australia. I commend the Bill to the House.

Debate adjourned, on motion by Mr. Kelly.

PUBLIC WORKS ACT AMENDMENT BILL

Returned

Bill returned from the Council without amendment.

BILLS (2): RECEIPT AND FIRST READING

1. Legal Contribution Trust Bill.
2. Legal Practitioners Act Amendment Bill (No. 2).

Bills received from the Council; and, on motions by Mr. Court (Minister for Industrial Development), read a first time.

MARKING OF LAMB AND HOGGET BILL

Second Reading

MR. NALDER (Katanning—Minister for Agriculture) [7.45 p.m.]: I move—

That the Bill be now read a second time.

The branding of lamb and hogget is at present carried out under the Abattoirs Act, 1909-1931. This Act, however, applies only to the State-controlled abattoirs at Midland, and the West Australian Meat Export Works at Robb Jetty.

For many years, lamb has been marked at these works and, since June this year, hogget has been branded. Some private abattoirs have also been branding hogget and lamb on a voluntary basis since June. At other than these two works, no control exists nor is there any control over the subsequent sale of meat as lamb or hogget by wholesalers or retailers of meat.

This Bill provides for the manufacture of an approved roller brand and the subsequent issue of the brand to approved abattoirs. It also provides that the actual marking of the carcase is to be carried out under the supervision of an inspector who, after an examination of the complete carcase—and that means a carcase with the head still on but without the skin, the skin having been removed—will determine from its teeth whether it is lamb or hogget, or neither. If found to be lamb or hogget the appropriate roller brand may then be applied down each side of the carcase, leaving a continuous series of words from neck to rump.

It will be an offence to mark any carcase as lamb or hogget, other than in accordance with these provisions, and it will also be an offence to sell or offer for sale any meat as lamb or hogget unless the sheep from which the meat was taken was marked in accordance with these provisions.

I have indicated to the House that the roller brand, in the case of lamb, will have the word "lamb" and then the license number of the abattoir where the carcase was marked; so the animal, when it is sold to a retail butcher's shop, will be marked either as lamb or hogget and will also have the registration number of the abattoir where it was marked. Thus, if an inspector goes into a retail shop he will, if necessary, be able to check.

It is further provided that an inspector may enter any abattoir, wholesale depot, or retail shop, for the purpose of ensuring that the provisions of the Bill are being carried out. At the present time an inspector of the Department of Agriculture has no authority to make an inspection, but the Bill will allow that to happen.

The roller brand to be used will incorporate a number together with the word "hogget" or "lamb," and the number will be the registered number of the works, thus enabling a trace-back procedure to be used, if necessary. The ink to be used on the roller is to be an approved ink, and different colours will be used for lamb and for hogget so that they can be more easily identified.

This legislation, which I commend to the House, will stimulate the sale of prime lamb on the local market, and the housewife will have confidence in the knowledge that she is receiving the type of meat for which she has paid.

I suggest that the action proposed under this legislation is something which the public generally have been hoping for. It was very difficult to bring the matter to this point, but after a great deal of co-operation from all sections of the trade, and the abattoirs, it has been possible to present the Bill to the House.

Mr. Sewell: It is certainly needed.

Mr. NALDER: It certainly might have been needed, but in the past we have found it most difficult to legislate so that an inspection could be carried out. Although we will not be able to take the necessary action immediately right throughout the State, we hope to see an improvement in the abattoirs in country districts. Most of the country inspectors will be health inspectors either associated with or appointed by the local authorities and they will have the responsibility in regard to the marking of lambs sold in country towns. We hope the provisions will gradually be extended into all areas of the State where meat from registered abattoirs is sold to the public, so that people will know that if meat is branded "lamb" or "hogget" it is either lamb or hogget as the case may be.

Mr. Norton: Were there not regulations covering this matter?

Mr. NALDER: No; we had no way of covering hogget. As I mentioned, lamb killed at Robb Jetty and at Midland was branded, but there was no authority to ensure that this was done anywhere else; and, under the present legislation the matter could not be policed either in the metropolitan area or anywhere else. The meat was branded at the abattoirs and nobody could follow the matter through to the retail shops to see that only genuine lamb was sold as lamb. Also, we had no way of tracing, from the brand, where the animals were slaughtered. The provision in the Bill will allow this matter to be policed.

This is a move to make sure that the public will get what it asks for, whether it be lamb or hogget. I understand that one retail shop, last week or the week before, was advertising hogget, and it was not branded as such. Under this legislation, if a woman asks for a leg of hogget she will know she is getting hogget if it is branded as such. This will forever do away—

Mr. Gayfer: It will do away with the old ewe being sold as hogget.

Mr. NALDER: That is so. I can see the honourable member is speaking from experience. That is a true picture of the situation. I commend the Bill to the House.

Debate adjourned, on motion by Mr. Kelly.

IRON ORE (MOUNT NEWMAN) AGREEMENT ACT AMENDMENT BILL

Second Reading

Debate resumed from the 16th November.

MR. BICKERTON (Pilbara) [7.54 p.m.]: It is not my intention to take up a great deal of the time of the House in speaking to this measure, and I intend to support it. The Bill is to amend the original Mt. Newman agreement of 1964, but before dealing with some of the amendments I would like to refer to the wonderful progress that is taking place at the Mt. Newman project. The consortium is certainly doing a job of work; it is well up to, if not ahead of, schedule. I have watched the progress of the project since its inception and I have seen much of it. It is a credit to the organisation concerned both for the efficiency that is being displayed and the smoothness of the operation. The consortium certainly has a big task ahead of it, from Mt. Newman to Port Hedland, and there are many problems to be overcome, including those concerned with housing and labour.

It is not an easy job—probably this consortium will have the hardest job of any of those associated with the present iron ore projects, particularly in regard to the harbour facilities. One can only give the consortium credit for the business-like way it has gone about its operations.

As I said, this Bill is to amend the agreement of 1964, and members will recall that that agreement was drawn up prior to B.H.P. becoming a part of the consortium. As a result, most of the amendments in the Bill deal with certain aspects of the late entry of B.H.P., and I have no doubt they would have been included in the original agreement had B.H.P. been a member of the consortium at that time.

The participation in the Mt. Newman project by B.H.P. has called for an extension provision to be placed in the agreement which was drawn up between the State and B.H.P. in regard to the Deepdale limonite deposits in the Onslow area. The obligation of B.H.P. in regard to the Deepdale deposits, as was pointed out by the Minister, has been extended to the 31st December, 1978, to permit the company to submit its proposals, and to the 31st December, 1981, for it to commence construction of the various facilities, such as wharves, rail sites, townships, terminal, etc. Furthermore, the conditions under the agreement in relation to the installation of the facilities have been extended to the 31st December, 1986.

When B.H.P. joined the Mt. Newman consortium I said I felt some provision should be made to allow the Deepdale deposits to be worked by another company so that the Onslow area would reap a little more benefit from the sale of iron ore. However, I suppose there are two ways of looking at this. B.H.P. was instrumental, in many respects, in getting the Mt. Newman iron ore project off the ground and, in the long view, I suppose it would be reasonable to consider that company should not lose any of the advantages it may have had in regard to the Deepdale deposits. By joining in with the Mt. Newman project it was able to make that project a reality whereas at one stage it appeared to be somewhat of a doubtful quantity. Therefore, I suppose we have to make some sacrifices, and it would appear, in this case, that the Deepdale deposits are one of them.

The delaying of the Deepdale project until such time as the Mt. Newman project has got under way is a sacrifice, but it is to be hoped that by that stage B.H.P. will be able to carry out its obligations at Deepdale and that it will be assisted by the finance that may be brought in from the Mt. Newman project.

There is an amendment in the Bill to enable B.H.P. to carry out the Mt. Newman obligations in case all the other Joint Venturers see fit not to continue. As I see it, many of the amendments introduced by the Minister are more or less to prohibit one of the Joint Venturers from, to coin a phrase, doing a dirty on the other Joint Venturers, as would be possible, if there were no internal protection, such as is provided in the Bill now before us. The Bill contains some complicated legal terms and amendments to make sure that one of the Joint Venturers is protected in all respects so far as the actions or dealings of the other Joint Venturers are concerned. The agreement has been amended to make the Partition Act of 1878 not applicable so far as the agreement is concerned.

I am not one for waiving Acts of Parliament, but it would appear that in this case the proposition outlined in the amendment is reasonable. Provision is made in the amendment to the schedule to exempt B.H.P. from the payment of certain rent fees on iron ore processed into steel in Australia by that company. This is only putting into the Mt. Newman agreement what B.H.P. already has in its other iron ore agreements, and it brings the B.H.P. part of the Mt. Newman consortium into line with the iron ore agreements already signed by B.H.P. and the State.

There are amendments which deal with default, and the actual amendment in question replaces the term "reasonable period" with specific times in which default can be remedied. The purpose is to void this agreement over the term of a reasonable period. I notice the first period is 180 days. That did seem a little excessive to me, and I would like an explanation from the Minister on this.

I realise that in a project of this size a fairly substantial period is necessary to enable the company to correct any defaults that may exist, or any defaults the State considered were being made. But 180 days does seem excessive, particularly as there are other periods which are given for rectification purposes.

I notice that the Minister, when he was reading his remarks, did not give any explanation as to how these periods were arrived at, and I would appreciate an expression of opinion from him on this point. There are also consequential amendments in the measure with which I do not wish to deal. As I said previously I support the amendments in the belief that we are assisting in some way in making sure that the Mt. Newman project proceeds and has a somewhat smooth passage.

I have no doubt that in years to come we will look back at all these agreements we have made and find one or two mistakes. It is, of course, always easier to look back after a project is a going concern and find ways in which it could perhaps have been improved; or in which the State could have benefited. I daresay this is natural enough. One must, however, be realistic and appreciate that it is possible that some agreements would not be signed were not reasonable conditions given in the first instance. Those who wish to operate them might not be interested if we tied them up in the manner we would like after looking at these things in retrospect.

I feel there is a fair element of a gamble; and, no doubt, conditions must be such that companies entering into these agreements should be encouraged, at least up to a point, to take the necessary gamble and commence the project. When that happens all of us hope it will go through to a successful conclusion. I support the Bill.

MR. COURT (Nedlands—Minister for Industrial Development) [8.5 p.m.]: I thank the member for Pilbara for his constructive approach to the Bill. He asked a specific question regarding the default timetable. This has now been set out in more specific terms than the original expression "reasonable time." The reason that the period of 180 days was selected is that after reviewing the matter, and having regard for the magnitude of the project and the normal time one would expect to make some rearrangement—and assuming there had been a default—it was felt that six months, or 180 days, was not unreasonable.

We are dealing with something of an international character where the money involved is substantial. For instance tens of millions of dollars could be involved in remedying a default, and that could not be arranged in a few minutes.

Another factor which we took into account was that where there was in fact an alleged default the views of the Minister of the day, or the Government of the day, might differ from those of the company. There is always room for a genuine difference of opinion. After referring the matter to our legal advisers, and in the light of our experience, we felt that 180 days would be a fair thing. We cannot be accused of making it too long, or of its being an unreasonably short time. For that reason we were prepared to accept 180 days. The company did ask for longer but we thought that 180 days was a fair thing, and we accepted it.

I was interested in the reference of the member for Pilbara to hindsight. I have no doubt that 20 years hence members of Parliament will take out the agreements that have been made and claim that they could have negotiated them much better. But the great thing is that they will not be able to say that we sat back and did nothing.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

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

WORKERS' COMPENSATION ACT AMENDMENT BILL

Council's Amendment

Amendment made by the Council now considered.

In Committee

The Chairman of Committees (Mr. W. A. Manning) in the Chair; Mr. O'Neil (Minister for Labour) in charge of the Bill.

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

New Clause.

Page 2—Add a new clause, to stand as clause 3, as follows:—

Retroactivity. 3. This Act is deemed to have had effect, for all purposes, from and including the fifth day of December, nineteen hundred and sixty-six.

Mr. O'NEIL: Members will recall that recently legislation was passed to correct an omission made during the last session of Parliament. It was passed without dissent, and I gave an assurance I had been advised that nobody would be disadvantaged by the omission.

It is possible that a case could occur where for some reason people could suffer a disadvantage because the Bill did not provide for retroactivity. The day referred

to in the Council's amendment is the date on which the 1966 Act was proclaimed. I move—

That the amendment made by the Council be agreed to.

Mr. W. HEGNEY: The position is as outlined by the Minister, and I have no doubt the amendment will be accepted. If it is made retrospective to the 5th December, 1966, nobody will be disadvantaged.

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

Report

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

LICENSING ACT AMENDMENT BILL

Council's Message

Message from the Council notifying that it had agreed to the amendments Nos. 1, 2, and 4, made by the Assembly, and had agreed to No. 3 subject to a further amendment, now considered.

In Committee

The Chairman of Committees (Mr. W. A. Manning) in the Chair; Mr. Court (Minister for Industrial Development) in charge of the Bill.

The CHAIRMAN: Amendment No. 3 made by the Assembly is as follows:—

No. 3.

New Clauses.

Insert after clause 4 new clauses to stand as clauses 5 and 6 as follows:—

S. 33A added.

5. The principal Act is amended by adding, after section thirty-three, the following section—

Light meals on premises subject of Australian wine license.

33A. (1) upon the application of the holder of an Australian wine license, the Court may, in its absolute discretion and subject to such conditions as it may, in a particular case, see fit to impose, grant to the licensee a permit to serve light meals of a kind, and on a part of the licensed premises, in each case approved by the Court and specified in the permit.

(2) The provisions of paragraphs (a) and (b) of subsection (1) of section forty-eight of this Act apply to applications for a permit under this section.

(3) The Court may sit to hear an application for a permit under this section at any time or times that the Chairman appoints.

(4) The Court shall not grant a permit pursuant to this section, unless it is satisfied that—

(a) the part of the licensed premises in respect of which the permit is sought is suitable for the purpose;

(b) there are, on the licensed premises, all necessary and proper facilities for the preparation and service of light meals of the kind for which the permit is sought; and

(c) there is a reasonable need, in the locality, for the service of the kind for which the permit is sought.

(5) A permit granted under this section shall, unless sooner revoked, remain in force until the end of the period in respect of which the license was granted and the Court may upon the application of the licensee renew the permit if and when renewing the license.

(6) The fee for the issue and for the renewal of a permit under this section is four dollars.

(7) A permit granted pursuant to this section does not authorise the licensee to have or keep his licensed premises open to the public at any time before or after that during

which wine may be lawfully sold on the premises.

(8) A person who contravenes any condition to which the granting of a permit is subject or who serves light meals contrary to any specification in a permit commits an offence and the Court may, without affecting the penalty to which a person is liable under this subsection, revoke the permit.

Penalty: For a first offence, one hundred dollars, and, for any subsequent offence, two hundred dollars.

S. 44D amended.

6. Section forty-four D of the principal Act is amended by adding, after subsection (2) the following subsections—

(3) Notwithstanding the provisions of the proviso to subsection (1) of this section, if the Court, after due inquiry, is satisfied that, by reason of the operations of the company on behalf of which the application is made, it is unreasonable or impracticable to require the premises in respect of which a canteen license is sought to be situate in conformity with that proviso, then, the Court may, subject to the other provisions of this Act relating to canteen licenses, grant a canteen license in respect of premises that are situate within twenty miles of premises the subject of a publican's general license or a wayside house license.

(4) Subsection (3) of this section shall continue in operation until the thirty-first of December, nineteen hundred and sixty-nine and no longer; and every canteen license granted by reason only of the operation of that subsection shall, after that date, cease to have effect.

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

That the amendment made by the Assembly be amended in new clause 6 by inserting after the word "miles" in the third last line of the proposed subsection (3), the passage ", but not within ten miles, by the nearest practicable land route,".

Mr. COURT: I move—

That the Council's further amendment to the Assembly's amendment No. 3 be not agreed to.

In our original amendment we did not provide any distance factor. We left it entirely to the discretion of the Licensing Court to grant a canteen license where it considered industrial conditions warranted such a license. There was good reason for this. We now have a project—although it is not good to legislate for a particular project—where the distance by air miles, or as the crow flies, and the distance by road are greatly different. We could have a situation where men would have to travel very long distances by motortruck, by car, or by taxi, to go to the nearest established hotels. In one case I think the road distance could be 18 miles and the distance as the crow flies something like 1½ miles. In that case, the places are separated by water In the other case it might be eight air miles, and something like 16 road miles.

The Legislative Council has suggested this distance be fixed at not less than 10 road miles, using the nearest practicable road; but there are circumstances where this could produce an anomalous situation. On the measurements I have been able to make, using the latest hotel license in Port Hedland as a case in point, the distance could be worked out as being 9½ miles. Therefore the Morrison-Knudsen camp, where a large number of men are going to be employed on heavy work, would be unable to have the benefit of a canteen license.

I said during my second reading speech on this Bill that in regard to the original proposals for a canteen license I was not very keen, but in the light of experience I have found that these licenses are a practical institution as they enable men to have access to liquor under controlled conditions at the site where they live and work. This sort of license avoids the situation where very long distances have to be travelled to the local hotel, often by company trucks or other trucks. Human nature being what it is, it is not everybody who wants to go home at the same time. Most of us have had enough practical experience of projects to understand the situation that develops.

Mr. Bickerton: You do not think there should be a limit?

Mr. COURT: Not a specified limit; we should leave it entirely to the discretion of the court. I assume that the court would not be unrealistic or irresponsible in the matter. I cannot imagine the court granting a license within, say, three miles or even five miles of a hotel. The court should

have some discretion in view of these projects being unpredictable as far as campsites are concerned.

To the best of my knowledge most of the companies concerned supervise these canteens very closely. The canteens are not open for indiscriminate hours, and there is usually access only to beer and not spirits. Generally speaking, from my contact with the work forces on these jobs, they appreciate the present arrangement. For that reason, it is felt by the Government it would be better for the court to have this discretion.

I would invite the attention of the Committee to the fact that we incorporated a date when this particular amendment would automatically die; namely, the 31st December, 1969. There is good reason for this, because it was felt that, to a certain extent, this was experimental and the Parliament of the day should have a chance to do one of two things: write permanently into the legislation some directions to the court in this matter, or allow the whole question to lapse and revert to the old 20-mile arrangement that exists in the parent Statute.

Mr. BICKERTON: I do not think there should be a limit on where a canteen is situated in regard to a hotel. I agree that this should be left to the discretion of the Licensing Court; that is a much better course of action. These canteens play an important role in some of the construction projects. A canteen is normally fairly close to the actual temporary living and messing quarters. Most of the men, when they knock off work, go to the canteen in their working clothes. The canteen closes at a certain time, after which the men have their shower and then their meal. If they have to go 10 miles, or any greater distance, there will be a tendency for them to get cleaned before they travel that distance, and, having travelled 10 miles for a beer, it is not the easiest thing for the men to travel 10 miles back in order to eat, when they have just started to get the taste.

I think the Legislative Council is a little impractical, as it is much better to leave this matter to the discretion of the Licensing Court. We have the example at Mt. Tom Price where the mine is situated but a few miles from the town. There is a hotel in the town, but the men still have a canteen at the works site. In this case, they would have to go to town for a beer and come back again for their evening meal; and in most cases they would miss out. This is a case where the amendment would be very detrimental.

I am not trying to take away the business from the men who make a business out of selling liquor and do not mind if conditions are such that the canteen licenses are run by persons who own a hotel. However, I do not want to see a restriction of 10 miles laid down; it is a matter which should be left to the discretion of the Licensing Court.

Question put and passed; the Council's further amendment to the amendment made by the Assembly not agreed to.

Report, etc.

Resolution reported and the report adopted.

A committee consisting of Mr. Bickerton, Mr. Burt, and Mr. Court (Minister for Industrial Development), drew up reasons for not agreeing to the Council's further amendment to the Assembly's amendment No. 3.

Reasons adopted and a message accordingly returned to the Council.

EVIDENCE ACT AMENDMENT BILL (No. 2)

Second Reading

Debate resumed from the 8th November.

MR. COURT (Nedlands—Minister for Industrial Development) [8.27 p.m.]: The Government has given consideration to the Bill moved by the member for Perth and has no objection to the principles that are enunciated therein. There are one or two minor matters of a typographical nature which I have discussed with the honourable member and he has agreed to note these either now or in the Committee stage, and have the corrections made in another place. There seems to be no reason to hold up the Bill because of these. One is only adding the letter "s" and the other is changing a word to what was originally intended to be there anyhow.

This matter has been under consideration by the Standing Committee of Attorneys-General as part of its periodical review of the law; and, whilst this would probably have come along later on in one form or another, there does not appear to be any reason to hold up the legislation awaiting the submission by the Standing Committee of the Attorneys-General. For this reason, I support the Bill.

MR. EVANS (Kalgoorlie) [8.28 p.m.]: I would like to indicate to the House I also intend to support this Bill. I would like to thank the member for Perth, in the first place, for making available to the Opposition an advance copy of the Bill; and, in the second place, for making available a copy of the notes he intended to use to introduce the Bill.

The rule against hearsay, which is the subject of this particular Bill, was a rule of prudence introduced into our British system of jurisprudence to meet circumstances and conditions that once prevailed, but do not prevail to the same extent today. Therefore I feel it is commendable that a move should be made to limit the obstructive application of this rule in many instances.

The member for Perth mentioned the support, and the early advocacy, of the amendments he is now seeking made by Professor Cross. In his book, Professor Cross quotes an American expert of the law and evidence given by a person by the name of Wigmore, who had this to say—

> Wigmore considered that, next to trial by jury, the rule against hearsay may be estimated "the greatest contribution of the eminently practical Anglo-Saxon system to the world's Jurisprudence of procedure." He was, however, of opinion that it has been over-enforced and abused, facts which led him to say that: "The problem for the coming generation is to preserve the fundamental value of the rule, while allowing the amplest exceptions to it and abstaining from petty meticulous exceptions."

Professor Cross, however, had this to say—

> The praise—

Meaning the foregoing—

> —is far too high, and many consider that the major problem for the coming generation will be how best to abolish the hearsay rule altogether.

No-one wants to enable unbridled hearsay to be admissible in our law courts, and the legislation before us has ample safeguards in that respect. Even when the conditions are met, as set out in the proposed legislation under which certain evidence may be admissible, it is still subject to the discretion of the court as to whether the evidence is to be admitted. Even if such evidence is admitted, admissibility is only one part of the function of evidence which influences the decision made. There still remains the weight to be attached to that evidence by the court, and this vital factor is not, of course, affected by the legislation before us.

On behalf of the Opposition, I would like to indicate that we support this Bill.

MR. GUTHRIE (Subiaco) [8.32 p.m.]: Like the other speakers, I support the legislation. The member for Perth extended to me, as well as to the member for Kalgoorlie, the courtesy of discussing the Bill with me before it was printed, and I made one or two suggestions to him at that time. The only reason I rise tonight is to talk for a very short while on what seems to be a tendency on the part of textbook writers—who have been quoted by the members for Perth and Kalgoorlie —to work towards getting away from the hearsay rule. I would strike a note of caution on that point. I feel we could go a little too far in our thinking if we imagine that we could ultimately dispose of the hearsay rule altogether.

One must remember that the basic objection to the hearsay rule is that it enables one person to give evidence in court of something of which he has no knowledge whatever. With no hearsay rule, that would be the position: a person could merely repeat something he had heard. He would repeat it quite truthfully and exactly as it was said to him, and he could not be shaken in cross-examination. He might even have a tape recording of what was said to refresh his memory. However, the person originally making the statement to the witness before the court, is not in court, and he might be a most unmitigated liar, to say the least, but he may have been able to convince the person who has repeated the information.

It is true to say that if that rule were abolished, the court would still have to attach what weight should be attached to the evidence; but, nevertheless, something completely untrue could be mentioned in court proceedings and would have some effect on the presiding judge, magistrate, or jury.

The situations covered by this Bill are of a very technical nature. If I remember his second reading speech correctly, the member for Perth mentioned the subject of weighbridge tickets, and, strangely enough, not very long ago I had a case which involved me in giving consideration to the value of weighbridge tickets. All I had was a slip of paper on which was some pencilled writing indicating some weights. There was no evidence as to who had written the weighbridge ticket or who had done the weighing. It was also said that the truck contained wheat. Obviously the person who had done the weighing did not know whether it contained wheat, oats, or barley. He probably did not even look. If he did, it might have been wheat on the top with something else beneath.

These are the difficulties which actually arise under the present law, but they will be corrected by this Bill. The weighbridge ticket to which I referred could not be given as evidence because no-one knew who had written it. It was merely a piece of paper. These are the matters this Bill is setting out to overcome, and for that reason I support it. However, I do strike that note of warning to the would-be reformers who would like the hearsay rule abolished. I would be just a little careful of that approach.

MR. DURACK (Perth) [8.35 p.m.]: I thank the Minister for Industrial Development and the members for Subiaco and Kalgoorlie for their support of this Bill. I said in my second reading speech that my only object in presenting the Bill was to bring the law in this State into line with the position as it exists in the other States of Australia and as it has existed in England for nearly 30 years.

I am aware that there are some much more revolutionary proposals as to the modification, or even abolition, of the hearsay rule, and these are gaining very

wide support as the years go by. Like the member for Subiaco, I am concerned at this point of time that we should not go too far in abrogating the rule further—and certainly we should not go to the extent at this stage of abolishing it. Therefore I would look upon these proposals with a great deal of caution.

In particular I think we would have to make a distinction—as this Bill does, of course—between the admissibility of this evidence in civil proceedings and in criminal proceedings. Even though there may be further relaxation desirable in civil proceedings, nevertheless one would have to be particularly cautious with any further abrogation of the rule in criminal proceedings, for the reasons I also mentioned in my second reading speech.

I am aware, too, of the discussions which have taken place in recent years by the Standing Committee of Attorneys-General in Australia, and a committee of the Law Council of Australia, in regard to a general reform of the law of evidence; but these discussions have been concerned primarily with obtaining a uniform evidence code for Australia; but although any moves of this kind will probably involve amendments to the laws of evidence in the various States, nevertheless those discussions have not had the specific purpose contained in this Bill, the main reason being that the proposals in this Bill are already law in all the other States.

A law reform committee in England has quite recently proposed some further major changes in the law relating to the admissibility of hearsay evidence. No doubt these much more revolutionary changes will be taken into account by those bodies in Australia, mentioned by the Minister for Industrial Development, in the consideration which they are giving to a uniform evidence code. I feel, however, that it will be some years yet before this projected uniform evidence code is finally agreed upon and introduced into this Parliament.

However, it is important that legal practitioners in this State should at this time obtain experience in operating under the amendments in this Bill, provisions with which their colleagues in other parts of Australia are already familiar. At the moment, if more advanced proposals were adopted in a uniform code, the practitioners in this State would be a good deal more at sea than they will be in the next year or two while they get used to operating under this particular proposal.

I am pleased with the support this Bill has received and that the legal profession in this State will apparently soon have the opportunity of making use of its provisions. I certainly hope the profession will take the opportunity the Bill affords and will not be conservative in its application of the provisions in the Bill. I feel that the lawyers will take advantage of the measure because, in point of fact, a great many members of the profession do not worry too much about the admissibility of hearsay. One of the great disadvantages of the present rule is that some practitioners do object to the admissibility of hearsay and take other lawyers unawares by making unnecessary objections.

I think it can be said in praise of the attitude to legal procedures in this State that most members of the profession appearing in court are not prone to take points of this sort. A lot of the provisions in this Bill do, in fact, operate more or less by the common consent of the lawyers appearing in a case. However, in some cases it is the lawyer's duty to take these points on behalf of his client; and therefore this Bill will iron out the discrepancies which may occur in cases before the courts.

I was very interested to hear the member for Subiaco mention his experience with reference to weighbridge tickets. I mentioned that as an example in my second reading speech because I had had exactly the same experience. I had to rely on weighbridge certificates to prove the delivery of a certain quantity of, I think, ore to support a claim my client was making. In that particular situation it was undoubtedly the duty of the solicitor on the other side to take the point against me and my client; and, in point of fact, great difficulty arose in establishing the claim. The fact that both the member for Subiaco and I have had the same experience in relation to such a common document in commercial use does highlight the urgent necessity for this Bill to be passed; and I hope it will become law in this State in the near future.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by Mr. Durack, and transmitted to the Council.

LEGAL CONTRIBUTION TRUST BILL

Second Reading

MR. COURT (Nedlands—Minister for Industrial Development) [8.47 p.m.]: I *move*—

> That the Bill be now read a second time.

As is implied by the long title of this Bill, its purpose is to establish a legal contribution trust to make provision for the application to public purposes of moneys resulting to and received by such trust to be established and empowered to invest moneys. The moneys to be invested are a portion of those comprised in solicitors' trust accounts.

As members would know, solicitors in private practice receive from day to day, on behalf of their clients, sums of money of varying amounts, which they pay to the credit of a trust account. Where an amount received on behalf of a particular client and the period that the money is to be held in trust are both substantial, the practice is for the solicitor to transfer the money from his trust account to some interest-bearing account such as a savings bank account opened for that client and the client thus receives the interest earned.

The provisions in this Bill do not cover such moneys or any moneys held in trust accounts maintained for a specific person or persons; because, in those cases, any interest that may be earned is identified with those moneys.

On the other hand, the great bulk of moneys received by solicitors on behalf of clients is received in small amounts or is to be held in trust for short periods. There would be no net gain to the client were these moneys to be transferred to an interest-bearing account, or into special accounts, because of the impracticability of apportioning interest on a day-to-day basis. Furthermore, the expense involved in each case would exceed the amount of the interest earned. Resultingly, these moneys are left to lie idle in a trust account until they are paid out.

It will be appreciated that such moneys amount, in the aggregate, to a large floating sum which, although varying from day to day, tends, with the growth of business in the State, to become more and more substantial. The minimum credit balance held in trust accounts in the case of some of the larger firms of solicitors would not, at any time, fall below $100,000 and would most likely exceed greatly that figure.

Trust accounts that are maintained for the day-to-day deposit of moneys for short periods, are current accounts and, as we know, the banks pay no interest on moneys credited to a current account.

The legal position with regard to interest on trust accounts is well settled. A solicitor has a fiduciary duty to his client and is prohibited from taking any financial benefit not authorised by law or by agreement with his client.

This legal position was recently restated by the House of Lords in the case of Brown *versus* Inland Revenue Commissioners (1965) *Appeal Cases*, at page 244, if honourable members are interested in following it through. The body governing solicitors in Scotland had approved of solicitors taking the interest accruing on trust moneys in cases where it is not substantially practicable for the clients' money to be put separately into an interest-bearing account. This practice could not be, and never has been, adopted in Australia. I instance the observations of Lord Reid, at page 257 of the report, as illustrating the point. He said—

> It may be true that (the interest) could only have been earned by aggregating the money of a large number of clients and could not have been earned for each client by using the money of that client alone. But that does not appear to me to make any difference in law, though it may remove any possible suggestion that the solicitor was simply appropriating for himself money, which he could and should have credited to his clients. I can see that if clients' money is dealt with in this way, it might be quite impracticable to determine with any accuracy what share of the interest should be created to any particular client. One might, it is true, begin by assuming that if half the money in the clients' general current account is put on deposit receipt, then half the money at the credit of each client is to be regarded as included in the sum put on deposit receipt. But the position changes from day to day. The whole of the money, then, at the credit of certain clients may have been paid out by the solicitor long before the deposit receipt is uplifted, the general current account having been kept in credit by money coming in from other clients. So, notionally, the ownership of the £5,000 on deposit receipt will change from day to day. No doubt, an accountant could devise a fair method of apportioning the interest. But to make even a rough approximation might well cost more than the whole of the accrued interest. On the other hand, if the solicitor is deterred by this difficulty from putting such money on deposit receipt, it must just remain on current account. No interest will be earned and the only gainer will be the bank.

The initial object of the Bill is to provide that a prescribed percentage, not exceeding 50 per cent. of the lowest balance of the moneys in solicitors' trust accounts, is to be deposited by each of them in an interest-bearing fund at the bank at which they maintain their trust account. The solicitor will have the power to withdraw this money at any time without reference to anyone, the sole requirement being that he maintain in the fund an amount equal to the prescribed percentage of the lowest balance of his trust account.

Already three other States have legislated on these lines. Victoria was the first in the field three years ago. Its example was followed by Queensland and, latterly, by New South Wales. The matter is said to be under consideration by the remaining States.

Inquiries show that the Victorian scheme has worked very well indeed. There is over $14,000,000 invested in the fund at some 4½ per cent. interest, providing an income of some $549,000 for the purposes of the Act in that State—the Legal Profession Practice (Amendment) Act, 1964. The latest news received from Queensland shows that its fund is yielding an amount in excess of $201,000 per annum.

It must be appreciated that it is impossible to state accurately the aggregate of the lowest credit balances in solicitors' trust accounts. However, the best estimate in this State given to me is a figure of up to $3,000,000. If half that amount were invested, it would earn up to $60,000 annually for the purposes which I shall elaborate shortly.

There is provision in the Bill for the establishment of a three-man trust, which will be a body corporate. Of the members, one, who need not be a legal practitioner, is to be nominated by the Minister—the Minister for Justice has in mind a Treasury officer for this post—one will be nominated by the Barristers' Board, and one by the Law Society.

I mention in passing, though doubtless it is well known to all members, the Barristers' Board is the governing body of the legal profession controlling, with the Supreme Court, the admission to and the conduct of the members of the profession. The Law Society is a voluntary association of legal practitioners incorporated to watch over the interests of the profession generally. It is, as we shall see, the body that has administered the legal aid scheme at present provided virtually without charge.

Returning now to the Bill, the trust will receive the interest resulting from the investment of the fund that I have described and apply it in accordance with the provisions of the Bill.

In proceeding to enumerate the several purposes of the Bill, I shall draw attention to the manner in which income will be distributed. It will be applied to the establishment and maintenance of a solicitors' guarantee fund, which will be a fund to compensate clients who may suffer loss by reason of the defalcations of solicitors or their employees.

Parliament, in 1944, amended the Legal Practitioners Act to provide for the establishment of a guarantee fund. The Act that made this provision has not been proclaimed and its provisions are now entirely outmoded. It is proposed, by a Bill complementary to the measure, to repeal the 1944 provisions and re-enact others that will be consonant with this Bill.

It is proposed, under the Bill now being considered, that the solicitors' guarantee fund will be maintained at a level to be determined from time to time of not less than $100,000. This, of necessity, has to be an arbitrary figure, because since the provisions of 1944, to which I have referred, were enacted, there has been no known case of loss by defalcation, for, in every instance, the money was repaid or recovered and no client suffered any pecuniary loss. I think this is a tremendous credit to our legal profession.

So the amount of the guarantee fund must be an arbitrary figure because there is not, and perhaps never will be, a criterion on which to base it. As provision is made in the Bill for the reinvestment of this fund, it is not material except in one sense that it may be too high. In that sense the figure is material because provision has been made for this amount to be guaranteed by insurance until such time as it has been built up, thus enabling some of the income to be applied at once to the other purposes of which I shall speak. These funds will be augmented by contributions to be made by practitioners under the provisions of the Legal Practitioners Act Amendment Bill, which is complementary to this Bill.

As to insurance, it is intended to apply for a policy with one of the companies but, in case there is any temporary difficulty, provision is made for an approach to the State Government Insurance Office, if thought fit, to provide the cover, by authorising that office to enter into such a policy. The object of the cover is, of course, to provide immediate substantial cover for clients, while concurrently making moneys available for the second purpose and, as the guarantee fund builds up, the requirement for insurance will decrease correspondingly.

A further purpose to which moneys resulting from the investment of a trust fund will be applied is the extension of legal aid services. These services have, for many years, been provided by members of the Law Society assisted by accommodation and an annual grant of $14,000 provided by the Government. Up to the present, legal aid has been provided in deserving cases by members of the society on a voluntary basis and, for the most part, free of charge. The cases in which a charge has been made were mainly those in which the court has ordered costs against the unassisted person. Although the annual reports of the society on the legal aid scheme show an annual growth in the number of cases for which legal aid was granted, it is rarely granted in the field of divorce. In the 12 months to the 30th June, 1967, only 23 cases out of 205 applications, in respect of divorce, were approved and assigned to practitioners. Representations have been made to the Commonwealth for assistance in this field but, so far, without success.

In its 1966-67 report on the legal aid scheme, the society makes this comment regarding divorce—

> The figures highlight the grave social problem which exists when innocent parties are unable to obtain a divorce. Not infrequently we find

that a woman who ascertained that she was unable to obtain assistance (under the legal aid scheme) to divorce her husband and who could see no hope of regularising her position, subsequently forms a *de facto* relationship and has had to return to the society later for assistance to secure maintenance for the illegitimate children of that relationship. The society feels strongly that the State and/or the Commonwealth Government should find some way of providing funds to enable it to grant a greater measure of help to these people and to minimise the bad social consequences of the broken marriage which cannot be dissolved because the innocent party is without means.

The Law Society is anxious, as soon as this becomes practicable, to provide legal aid in all deserving cases in any field of the law. Unfortunately, between 55 per cent. and 60 per cent. of the gross income of a solicitor in private practice is taken up on overhead expenses, so that legal aid given without charge constitutes not only a free service but, in fact, a pecuniary loss to the practitioner providing it. The society, while anxious to give service at a reduced charge, points out that the time has now arrived when its members need to be remunerated if the service is to be extended.

The society has offered to extend legal aid on the basis of the English system where the practitioner receives 90 per cent. of his gross costs. At first sight, this would appear to be a reduction of 10 per cent. by the practitioner, but when one first takes away the overhead of 60 per cent. it becomes clear that the remainder is only 30 per cent., so that under such an arrangement the true reduction being made would be one of 25 per cent.

This amount has not been fixed by the Bill, the provision being that the remuneration is to be such percentage of the normal fees as may be prescribed. This matter is one that will need to be negotiated with the society after an examination of the position in the other States that are operating a similar system. In the United Kingdom the cost of administering the scheme is very high, but here the Law Society has no present intention of making any charge for its services for administering our scheme.

A still further purpose to which the interest earned by the fund will be put is law reform and legal research. Since 1964, there have been considerable movements in other countries and in the State of New South Wales for the establishment of permanent law reform commissions or committees. The matter has been under review by the Government for the last year or two and a year ago the Law Society requested the establishment of a permanent law reform committee.

The Government has decided to set up a new law reform committee consisting of representatives of the Law Society, the University Law School, and the Crown Law Department, and Parliament is being asked through the Estimates to approve of an initial budget for the committee. An amount of $30,000 has been provided by the Treasurer, which, it is estimated, will be sufficient to meet the requirements of the committee for the balance of the financial year. The decision follows representations by the Law Society to me and is supported by the Dean of the Faculty of Law (Professor D. Payne).

During the past 20 years the society, on a voluntary and gratuitous basis, has initiated many law reform measures which have since passed into law; but, in recent years, it has been appreciated in many countries that the subject of law reform has become much too vast, important, onerous, and urgent to be left on a gratuitous and *ad hoc* basis and that what is needed is a permanent body which will continuously tackle the problems involved. New South Wales has established a law reform commission by legislation.

In Western Australia, we have over 140 years of State legislation, plus a body of English law inherited in 1829 and many important areas of law not covered, or only party covered, by Statute. Quite a lot of this law needs review in the light of modern conditions.

There has been some difference of opinion as to how the committee should be constituted, but it has been decided, with the occurrence of the society that, initially, at least, the committee shall consist of one representative each of the society, the Law School, and the Government, but will employ an executive officer for research, secretarial, and liaison duties, and be helped by its own staff and by the Crown Law Department.

At some future time, the committee may recommend changes in its constitution or otherwise, and might ask for statutory recognition and powers; but matters of this kind will be further considered in the light of experience and the nature and volume of the work of the committee.

Suggestions for law reform may be initiated by any member of the committee or by the Minister, and the committee will make recommendations to the Minister as to what matters should be subject to law reform measures, the terms of reference to the committee, and the relative priorities. Following ministerial approval of any project, the committee will then decide how it will be tackled and will liaise with law reform bodies elsewhere, as necessary.

The committee may handle any project from within its own resources and staff, or it may co-opt members for any particular project but, more commonly, it will brief experts—whether lawyers or not—in

particular fields. When any project has been sufficiently advanced, the views of others—for example, the judges—will be invited.

Finally, after consideration of all material collected, its own researches, and the views expressed at conferences, the committee will make its report and recommendations to the Minister. After Cabinet approval of any project and the drafting of a Bill to give effect to it, the committee will settle the Bill and submit memoranda for use in Parliament. The committee will keep the Minister informed of its progress and will submit general reports at least annually.

One important function of the committee will be to co-operate with, and help in, the co-ordination of the work of the Statute law revision section of the Crown Law Department, which, during the past five years, has been revising the Statute law of the State so that the Statutes may be put in order for reprint. The section is not concerned with altering the law but only with cutting out "deadwood" from our Statutes. Several hundred obsolete Acts have been wholly repealed and the stage is now being reached where the section is considering partial repeals.

The committee will advise on the recommendations of the section in regard to partial repeals and related matters; such as which Acts relating to the same subject matter should be consolidated, which Acts should be reprinted in their present form, and which Acts definitely need a degree of rewriting, with or without an element of law reform.

It is hoped the committee will be appointed and ready to start functioning as soon as Parliament has approved of the allocation of the necessary funds. While early results should not be expected, it is believed that the activities of the committee will, in future years, have a marked and favourable impact on the development of our Statute law.

The Government is fully appreciative of the co-operation of the Law Society and the Law School in the establishment and future work of the committee. While it is proposed that an initial budget of $30,000 will be provided for the purposes of the law reform committee, it is likely that a greater annual sum will be required for law reform purposes and, because of the position we are in regarding the Commonwealth Grants Commission, we must look to other avenues for the raising of additional money for law reform purposes.

The Bill makes adequate provision for audit of, and report on, the fund and its application to the three purposes I have mentioned. It provides protection to persons administering the Act in good faith, and it provides for secrecy with respect to persons receiving assistance under it.

This measure touches on three separate functions, as I have summarised, and is one which comes forward in the complex times in which we live and with the changed approach to certain practices in the law. It is therefore commended to members as a Bill of some importance. Although it may not have the glamour of some of the measures we deal with, nevertheless it will have a far-reaching effect on the lives of many of the citizens of our community.

Debate adjourned, on motion by Mr. Evans.

LEGAL PRACTITIONERS ACT AMENDMENT BILL (No. 2)

Second Reading

MR. COURT (Nedlands—Minister for Industrial Development) [9.10 p.m.]: I move—

> That the Bill be now read a second time.

This Bill is the one to which I referred earlier as being complementary to the Legal Contribution Trust Bill. It has been through another place where it was handled by the Minister directly concerned; namely, the Minister for Justice. The main purpose of the measure is to remove from the Legal Practitioners Act those provisions that were not proclaimed and that have now been incorporated with much greater particularity in the Legal Contribution Trust Bill. At the same time, the provisions of the Legal Practitioners Act relating to the maintenance and examination of trust accounts have been rewritten in this Bill.

Under the 1944 legislation, a part was inserted in the Act making provision for the annual payment of an amount of up to £10 by each practitioner to a guarantee fund. It was expected, under the 1944 Act, that an amount of £1,000 per annum would result to the fund, which was to be built up to £10,000, after which contributions would cease unless there was a call on the fund. Provision was made for the payment out of his contributions to a retiring practitioner. It appears from the *Hansard* report that these provisions were not immediately proclaimed by reason of many practitioners being absent on war service.

The Minister for Justice, when introducing this measure in another place, said that in his view those provisions were never adequate to cope with cases of serious defalcation and, where they were not serious, the amount of them was not difficult to recover. As mentioned when introducing the main Bill, to which this is complementary, it is believed that, since the passage of that part, there has been no known case of financial loss through defalcation. In any event, the new provisions incorporated in the other

Bill are much more realistic, providing as they do for a fund of at least five times the amount of the fund envisaged by the existing unproclaimed provisions.

To augment the guarantee fund—most necessary at its commencement—this Bill provides that each practitioner who has held a practice certificate for two years shall, when applying to the Barristers' Board for his next annual practice certificate, pay an annual amount as prescribed for five years. It is intended to prescribe $20 per annum. He can pay the amount in a lump sum, provided he contributes the equivalent of that payable for a period of five years.

This provision will not apply to a judge, a magistrate, or a retired lawyer who is not practising, because there is no need for them to hold a practice certificate. When the practitioner has paid the requisite contributions, he will not be required to contribute any more, because he will have fulfilled his obligation, but the money will not be returned to him when he retires. This responsibility will later fall upon a practitioner who is now training to become a solicitor, for he, in his turn, will make his contributions.

The provisions of part V, relating to the keeping of trust accounts have, as I have said, been recast. The fact that the provisions relating to trust accounts had not been proclaimed did not mean that they were not maintained. In fact, the Barristers' Board has, since its existence, carefully watched this aspect, as it and the court have adequately dealt with cases where a complaint of any irregularity was made. Now, however, another body—that is, the legal contribution trust—is to be interested in the maintenance and examination of trust accounts. So it is now essential to make provision for the trust's intervention and the Bill does that.

Briefly, the new part to be inserted provides—

(a) For the keeping of trust accounts.

(b) Indemnity for Banks.

(c) The maintenance of books of account in an auditable form.

(d) The appointment and powers of examiners of trust accounts.

(e) Action on examiners' reports.

(f) Limitation of the disclosure of findings.

(g) A contribution by practitioners to the trust fund.

There is one provision in the Bill that does not relate to any of the foregoing matters. The Act provides for the judges and the board to make general order as to costs. Unfortunately, it refers to "a majority of them" and it is not clear whether this means a majority of the judges only, or a majority of the judges and the members of the board. As a quorum is provided for the board, it must speak with one voice only. On the other hand, most Statutes providing for judges to make rules, provide that they be made by a majority of them. An amendment has accordingly been included to make it clear that the majority referred to is that of the judges.

Provision is made for this Bill, when enacted as an Act, to come into operation when the Legal Contribution Trust Act comes into operation.

Debate adjourned, on motion by Mr. Evans.

PARLIAMENTARY SALARIES AND ALLOWANCES BILL

Second Reading

Debate resumed from the 16th November.

MR. TONKIN (Melville—Leader of the Opposition) [9.16 p.m.]: The Bill before the House which sets up the machinery for the determination of the salaries of members of Parliament does not, of itself, provide for the immediate increase of such salaries and allowances. It makes provision for an inquiry to be held, at the earliest, in June, 1968. Following such inquiry, whatever recommendation is made will be adopted automatically.

Any suggestion for salaries of members of Parliament to be increased causes a feeling of opposition, and this is pretty general. I suppose if we look behind the opposition which is engendered we will find the reason stems from the fact that for quite a long time such increases in salaries have, in effect, been awarded to the members by the members themselves, by agreeing to legislation which has been introduced into Parliament for the purpose of effecting increases in their emoluments.

The last increase was effected somewhat differently from the methods previously adopted, and as a result far less resentment was created. There was still some opposition to the fact that members were to receive increases in salaries and allowances, but the opposition was not nearly as strong as that raised previously. The reason for that can be found in the fact that a committee—not a tribunal as proposed in the Bill before us—was set up; and it considered this question. The personnel of that committee were respected by, and had the confidence of, the community. Therefore its findings were readily accepted, and were adopted without much opposition.

The proposal in the Bill is for the establishment of a tribunal. the members of which will be appointed by the Governor. The tribunal will be able to determine its own methods of procedure; and after it has carried out its inquiry following the taking of evidence, it will make a recommendation. Such recommendation will be final and will not have to be accepted by Parliament before it takes effect.

This proposal follows very closely the policy which was adopted in 1965 by the party of which I am a member, when our State Executive was somewhat disturbed by complaints about the increases in salaries of members of Parliament, and about the increases having been determined by methods which differed very greatly from the procedure which was followed when workers in industry applied for increases in their wages. The party felt that whilst it acknowledged there would be, from time to time, increases in the salaries of members of Parliament—because the cost of living would rise gradually, and the wages and salaries of other people would also rise—the increases in the salaries of members ought to be determined after an inquiry along similar lines to those inquiries undertaken in the fixation of the basic wage.

It was believed that such inquiry should be held in public, with the members of the public free to make submissions; and that the tribunal to be established would follow as closely as possible the composition of the court which adjudicated on the wages and salaries of the workers.

Whilst the tribunal proposed in the Bill is not to be modelled precisely on the old Arbitration Court, or on the Industrial Commission, the principle is very similar: and very little objection can be taken to the personnel that it is proposed to appoint. Naturally one would, if possible, endeavour to select someone who could be regarded as being completely independent and free of any influence whatsoever to undertake this task; but I am afraid it is not possible to select anyone from the community who could measure up to that standard, because either directly or indirectly there would possibly be some influence to affect the adjudication of such a person.

We have to consider that in appointing a judge of the Supreme Court to undertake a job of this kind he is placed in a position no different from that when adjudicating upon a case in the court. Quite often judges—being human, and not being expected to shut themselves off entirely from the world—must be conscious of the views of sections of the community; and whether or not they like it their judgment could be influenced by the opinions of others, without appreciating that was happening.

Whilst we might be looking for somebody who is completely detached and completely uninfluenced, nevertheless we have to acknowledge the situation is such that we cannot avoid influences from operating at certain times. After looking into this matter and after giving it a lot of thought, in my view a person who is least likely to be influenced—because of his experience, training, and appreciation of his responsibilities—is a judge of the Supreme Court. Therefore I have no objection to such a person being appointed as chairman of the proposed tribunal.

Precedents exist for the course which the Government proposes. South Australia has set up a tribunal of a similar kind, and so has Tasmania. It would appear to me from a study of the Statutes which have been passed in those two States that the set-up proposed in the Bill is very similar to theirs. I do not think it would be expedient to appoint the members of the tribunal for fixed terms. If a fixed term is contemplated, then in my opinion it will have to be for at least six years. It is not always possible to obtain such personnel as are contemplated in this legislation to take on a job of this kind and to be tied to it for a period of six years.

I think that experience elsewhere has shown that changes become necessary in much shorter time. There should be sufficient flexibility in the legislation to permit of new appointments being made when they become necessary, if the original appointees are unable to continue. I cannot imagine that, because in such circumstances it can be considered there is no security of tenure, the judgment of persons to be appointed will be influenced as a result. I do not think that will be the effect. I see the necessity for the Government to have sufficient opportunity to appoint fresh members to the tribunal if those already on it find they are unable to continue.

A suggestion has been made in the Press that the salaries of the members of the tribunal should be fixed by Parliament. This would be an extremely difficult matter for us to determine at this stage. It is not a practice which is followed with regard to the appointment of other people in high positions; it is left to the Government of the day to decide what is a proper salary to be paid.

It could become necessary for the Government to alter its ideas somewhat, in its attempt to encourage someone to take on a job of this kind. I well remember when a Labor Government was giving consideration to the appointment of the first manager of the Rural and Industries Bank. The Hon. F. J. S. Wise was the Minister then in charge of the department, and Cabinet had agreed originally on what was considered to be a fair salary for the position. It was reported to the Cabinet subsequently that a suitable person could not be obtained for the amount the Cabinet had in mind, and adequate reasons were supplied.

Firstly, it would have been necessary to attract somebody with considerable banking experience, and that would have meant the appointment of one who was fairly well advanced in years, and who had built up a very substantial superannuation entitlement. A person could not be attracted away from such security unless the salary

he was to be paid was worth while. In determining what was an adequate salary in the first instance, that aspect was not apparent. When Cabinet was faced with this position it agreed to a substantial increase in the salary that had been offered, as a result of which a first-class officer was obtained for the job. With a lower salary the Government probably would not have been so fortunate, and the institution could have suffered.

I trust that illustration will emphasise the point of view I am trying to express; that is, whilst it might be considered, on the face of it, to be desirable for Parliament to fix the salaries which are to be paid, it is better left to the Government of the day. I do not know that Governments are anxious, at any time, to pay more than they have to in order to get a job done. It is usually the other way. I do not expect there to be any extravagance in connection with this, and the Government will offer a salary which is necessary in order to attract the right man to the job.

I believe that the proposal will have the effect of lifting the increasing of salaries of members of Parliament out of the realms of controversy. It will always be found that there are some people in the community who believe that everybody else's salaries and wages should be increased except those of members of Parliament. Those people are in the minority and my experience is that people generally take a reasonable view if they feel that the determination is being made on a fair and honest basis and the recipients of the increases have no part to play in the actual adjudication.

The proposed tribunal will, I think, satisfy those who are inclined to be critical. I know very well that the setting up of the tribunal will satisfy the Australian Labor Party, which has given a lot of thought to this matter. As I have already said, the proposals in the Bill follow very closely the suggestions which were made as the result of a consideration of this question by a special committee appointed by the State executive of the Australian Labor Party and the Parliamentary Labor Party.

The recommendations of that committee were submitted to the Premier at the time, but he did not see his way clear to agree to the suggestions. However, this Bill now follows very closely the submissions made in 1965 and because of that I indicate the support of this Bill from this side of the House.

MR. W. A. MANNING (Narrogin) [9.33 p.m.]: I would like to say a few brief words, as Chairman of the Parliamentary Country Party, and also as a member of the Parliamentary Rights and Privileges Committee. The problem in the past has been to arrive at what is a fair thing. I think all members will agree that it is difficult to decide what might be called a fair thing. The problem is to find out what the figure is. Various methods have been tried and all sorts of suggestions have been made, but what has been done has usually resolved itself into the position that, in the eyes of the public, the members have fixed their own salaries. That does not seem good, however honestly it might be done.

So, it does seem that the setting up of a tribunal is the best way out of the problem. The next problem, of course, is to say who is to sit on the tribunal. It seems to me that a good job has been done in selecting the type of person to do the job. Surely we can trust a judge to be chairman. If we could not trust him in that position, we could not trust him in his job. The second person is to be an accountant who will be associated with figures, and who will be able to analyse figures.

It appears to me that a good deal of thought has been put into this over the years, and that thought has culminated in the presentation of this Bill. No doubt every time the salary question has been raised the problem has been to decide when it will be considered. The consideration has to be related to the circumstances of the day, and it is not easy for any Premier to decide that consideration shall be given at a certain time.

The second problem is, of course, to arrive at a fair salary. The figure arrived at must be one which will induce candidates who already hold responsible positions to sacrifice those positions to represent the people in the electorates of this State. Yet, the salary must not be so high that it becomes excessive.

In Queensland the fixing of members' salaries on the basis of civil servants' salaries was tried. However, the salaries of the civil servants went too high and that scheme had to be abandoned. I feel this is a genuine attempt to arrive at a satisfactory solution. When adjustments are made we will feel that at least they have been adjudicated on by a responsible body and we, as members of Parliament, will have no way of rejecting the figures presented, whatever they may be. The decision as to whether members will receive an increase or a decrease will be arrived at outside of the House. I support the Bill.

MR. BICKERTON (Pilbara) [9.36 p.m.]: As President of the Parliamentary Rights and Privileges Committee I think I should say a few words in connection with this measure. The object of the Rights and Privileges Committee—since I have been on it for the last seven years—is to obtain for members a justifiable salary without creating excessive incomes. I think this has always been the object of the committee. It has been extremely difficult be-

cause the salaries of members of Parliament seem to be a football which everybody seems to want to take a kick at. As a result, whenever a wage increase has taken place for members of Parliament it has received rather excessive newspaper publicity, and rather excessive public criticism.

However, I am not saying that anyone should not be in a position to criticise. Perhaps the old system, where members did fix their own salaries, was not a perfect system, but it was one which operated; and I always felt that justice was done, although apparently it did not appear to be done. That is where the criticism started and I do not think it would have mattered very much what figure was arrived at, the volume of adverse publicity and criticism would have been just the same.

No Government likes to be put in the position of having to increase the salaries of members, for this reason. I feel that this matter has always been treated very carefully in the past. As a matter of fact, no increases were granted which could not be justified and which could not be proved to be reasonable. However, I do not suppose any system we hit upon will ever solve the problem of criticism.

I believe this system of a permanent tribunal which takes this matter completely out of the hands of members of Parliament and gives them no say in the amount of increase or decrease, and makes adjustments automatic will be more acceptable. I feel that the Government, and the members of Parliament, have gone as far as they can go in an attempt to find a solution which is acceptable, at least, to the majority of the people. Whether it will be acceptable to all people I very much doubt. There are people, of course, who believe that members of Parliament should not receive salaries at all. Those people believe it should be an honorary job.

If that is the type of member of Parliament the public would like, no doubt it could be arranged, but it would mean a restricting of the type of person who could afford to stand for Parliament, and this could rob us of some very good members indeed. Members holding positions in the present Ministry, and responsible positions in the Opposition, had they been forced to take on this work on an honorary basis would not have been able to afford to be here. We do not want to reach the stage where we will restrict those sorts of persons from entering Parliament.

As mentioned by the Leader of the Opposition, it is most essential that the salary be reasonable in order to attract the right type of person to Parliament. We know these are the days of high wages and high salaries, and many private companies and Government services find it necessary to offer very good facilities and very good salaries and other conditions to their employees. Naturally, if the remuneration of members of Parliament is so much lower than those salaries, then we will not obtain the desirable type of member that is necessary. We all know that one only gets what he pays for, and we do not want to put ourselves in a position where we have members of Parliament who consider that their services are not worth much anyway, or who can afford to do the work in an honorary capacity for reasons best known to themselves.

The setting up of the tribunal will bring us pretty well into line with Tasmania and South Australia. The Tasmanian tribunal has met twice, and the South Australian tribunal once. Up to date, those tribunals appear to have come forward with satisfactory solutions to most of the problems. I understand that there was quite a bit of Press criticism in Tasmania but, nonetheless, not nearly as much as was the case when members of Parliament—to use the expression—fixed their own salaries.

We will still be up against the position where the tribunal will be influenced by the salaries paid to members of Parliament in other States. That is why, on one occasion, we made approaches to the other States with the object of having a standard basic rate for a State member of Parliament struck right throughout Australia, and then having the individual States fix their own allowances. However, one can realise how difficult that would be.

This legislation goes a long way towards overcoming the problems that have faced the Rights and Privileges Committee, and individual members, over the years. At this stage, we must accept this as being a forward move and I sincerely hope that its operations satisfy the public that we are purely out for a just wage, and not out to rob the Treasury. I support the measure.

MR. JAMIESON (Beeloo) [9.44 p.m.]: I, too, support this measure, and I would like to make a few comments on it. There would be no harm in conducting an inquiry in public, and so far as I am aware this has been the general rule in Tasmania and South Australia. Members of Parliament have nothing to hide, any more than any other salaried employee, when they have to put a case before a particular tribunal which has to establish what is their just deserts.

As various members have said, I doubt whether we will convince some of the people—when an increase is made—that it is deserving. This will apply no matter what the tribunal decides. Then again, most people must remember that it is open to each and everyone to be a member of Parliament, whereas it is not open to each and everyone to follow the various vocations available to outside people; or even to become a senior civil servant and establish oneself, through the progress of time, in a secure position within one or other of the various departments.

So if people are upset about it, and think being a member of Parliament is such a good proposition, it is open to them to nominate and endeavour to be elected members. As one former liberal member for South Perth said—and I have often repeated this, because I think it is a good statement—anyone can be a member of Parliament; it is all a matter of getting there. So people who are critical of members of Parliament, and the emoluments that are paid to them, should remember it is open to everyone to come here if they can get enough people to vote for them.

As a consequence, I do not think there is any harm in having public inquiries into this matter where various points of view can be put forward by taxpayers' organisations, or anyone else who wants to give evidence which they consider might be relevant when the question of adjusting members' salaries is being considered.

As I understand it, in Tasmania an interstate judge was appointed, but there is no indication in the Bill as to who the judge in this State will be. The Bill merely says, "a judge." Therefore, I do not know whether the provision is sufficiently defined. If a judge from our own court is to be appointed, then I think the Bill should say so; but if it is the Premier's intention that a judge from one of the other States should be appointed, I think that would be better and the legislation should provide for it. Frequently we have to legislate on judges' salaries and it could be said that the *quid pro quo* attitude was being adopted in that we would legislate for judges' salaries and one of their number, in turn, would fix our salaries. Therefore, my idea would be, if one were available, to have our tribunal headed by a judge from outside.

I think a retired judge from Queensland recently sat on the tribunal in Tasmania and formerly a Victorian judge presided. If this were done, and an outside judge were appointed, justice would not only be done but it would also appear to be done; and perhaps it would be a good idea to make the appointment from a court as far as possible away from our own courts.

One point that intrigues me is that under the Bill we are defining the Leader of the Opposition in the Legislative Assembly, and further down, under the same item, referring to officers of Parliament, the measure refers to the Deputy Leader of the Opposition in the House of Assembly. Why the terminology should be different, I do not know.

Mr. Brand: We are going to have that changed in the other House.

Mr. JAMIESON: That is good, because I think the wording should be the same in both cases. Paragraph (k) refers to the leader of a party of at least seven members other than a party whose leader is the Premier or the Leader of the Opposition. Does this paragraph apply to the Legislative Assembly only, or does it apply to the Legislative Council as well? Probably it is meant to apply only to the Legislative Assembly, but the Bill does not say so and in my view it should be more specific in regard to whom that paragraph applies. If it is meant to apply to both Houses then the paragraph should say so.

As a matter of fact, I cannot see why it should not, because when Labor Governments are in office in this Parliament there are two parties in opposition and, in the Legislative Council, there would be about eight representing each party. Each party leader in that House would have a responsibility and his party would probably need as much organising as a party would in this House. I do not hold that we should encourage more office bearers to be appointed in the Legislative Council—and I say this because of my training and my views on the abolition of the Legislative Council—but while that House still exists I think its officers should either be defined or mention should be made that such-and-such a position applies only to the Legislative Assembly, if that is intended.

When Labor is in Government, if the present numerical party strengths in the Legislative Council remain, and if paragraph (k) is meant to apply to the Legislative Council as well, there will be two paid officers on the Opposition side, whereas at present there is only one paid officer on the Opposition side in that Chamber because the Deputy Leader of the Opposition is not referred to as such and is not paid any increased salary for his position. That is an unusual state of affairs, and I think the person occupying this position is deserving of consideration. As a deputy he is an essential part of the set-up of Parliament.

As the Premier would know, it is necessary at times to have a deputy, whether one is on this side or the other side of the House, in order to take control, and it is a responsible position. As a matter of fact, we recognise a person in the Legislative Council as the Deputy Leader of the Opposition but we do not recognise him as an officer. To me the position is fairly important and the circumstances are rather unusual. Speaking from my own party's point of view, the present holder of the office of Deputy Leader of the Opposition in the Legislative Council was, when he was Whip, considered to be an officer. Yet, when he had an improvement in status to the position of Deputy Leader of the Opposition he was considered no longer to be an officer and he dropped in rating as far as his official position was concerned. He receives no consideration and no extra emolument

for his position. Yet officers of Parliament consider that he warrants some recognition, because he has a special office allocated to him, as has the Deputy Leader of the Opposition in the Legislative Assembly.

Perhaps it has been an oversight, and if it cannot be attended to on this occasion possibly a further definition could be included to cover the person to whom I have just referred. While the present bicameral system exists, surely we should accept and recognise that the Deputy Leader of the Opposition in the Legislative Council has a responsible job.

Under the Bill there is no right of appeal and this is going a bit beyond the usual practice with tribunals which adjust wages and salaries. However, I suppose this has to be the position because if we start having a right of appeal we will be accused of subjecting the court of appeal to further pressures—that is, if the appeal comes from the members themselves when they consider the tribunal has not treated them well enough. Also, there could be problems if people outside appealed because they felt the tribunal had been too generous in its award regarding members' salaries. The appeals could take some considerable time to hear and no determination would be reached. Therefore, possibly it is a good move not to have a right of appeal, although we on this side favour such rights where wages and salaries are concerned.

There is another point, too. As a result of any inquiries made I would not like to see any lessening of conditions, and I would like a clear understanding on this point. Unless economic circumstances reached the stage where the valuation of money had changed so dramatically that it was necessary for a lessening of conditions, I would not like a tribunal to have the opportunity to reduce those conditions. If the valuation of money changed so considerably that it warranted a change or alteration in salary downwards, it might be a different matter; but I do not think we should be singled out, and I think we should have some safeguard so that there cannot be a worsening of our conditions.

Mr. W. Hegney: We want a no-reduction clause.

Mr. JAMIESON: I think "no worsening of conditions" is a better way of putting it. All in all the Bill seems to be a move to overcome the sticky problem that all Premiers and Governments have to face up to from time to time in adjusting, in a fair way, the salaries of members of Parliament. As I said, there are some people who would say we were overpaid even if we were paid only a few cents; but there are others who agree that it does not matter how much members of Parliament are paid, they are still not being overpaid

I think at an inquiry in the House of Commons on one occasion the committee had something like this to say: A member of Parliament should be paid an emolument that will allow him to live in comfort but not in luxury. There is an obvious reason for that. A member of Parliament has access to all sorts of situations in the community and if he is forced to receive money from other sources in order to live he is more likely to be subjected to all sorts of temptations, which would not be the case if he were paid a fair and proper salary. If a member of Parliament is not paid sufficient, even though he may not want to be associated with certain conditions, his circumstances could be such as to force him to agree with them.

The suggested tribunal appears to be the best idea we have been able to arrive at so far and it is another case of where a person changes his mind. I can remember only a few years ago the Premier felt that this matter should be the responsibility of Parliament. This would be all right if Parliament was left alone in this matter, but it is not. It is put under severe pressure and, as a consequence, I think the Premier is doing the right thing in providing for an alternative method of overcoming the problem of fixing members' salaries; because the question will be under review at least every three years. This will avoid salaries getting out of concert with other salaries.

Public servants seem to be in the habit of receiving rather large increases in pay periodically, and I understand they are due for another one very shortly. This, of course, will set in train increases all the way along the line. However, this is unavoidable because of the system in which we live. Everybody believes that his services are worth more money. The butcher, the baker and everybody else believe that they should get a greater financial return for their efforts, and we are gradually building up an affluent society. Salaries and wages are increased from time to time because of the inflationary trend, and each time wages are increased money loses a little in value. However, it would appear to me that in our society it does not matter whether one is a newspaper editor, a member of Parliament, or the local rubbish man, nobody expects him to continue to work for the same salary as he received 10 years ago. This sort of thinking will continue with the person concerned, on the other hand, believing that he is worth far more than he is being paid.

Our present trends will continue until we get some stability in the price of goods and in the whole economic system. Until the position is completely stabilised we will never be able to set a salary and use that as a base on which to set all other salaries and wages, and on a base which would have the effect of stopping the present

chain reaction when there is one salary increase. The possibility of being able to stabilise prices looks impossible in the immediate future, and as far as I can see the only way we can get wage justice is to have independent tribunals to assess from time to time the salary which should be paid, whether it be for a member of Parliament, the Public Service, or anybody else. I support the Bill.

MR. FLETCHER (Fremantle) [10 p.m.]: Before the Premier replies I, too, wish briefly to support the Bill, which honours the undertaking given in 1965. I would like to quote an article from *The West Australian* dated the 21st November, 1967, which states—

> In 1965, the W.A. State executive of the A.L.P. called on the government to establish a permanent tribunal to hear claims in open court. It said politicians' pay claims should be submitted to the same searching scrutiny as wage claims by unions.
>
> The W.A. Trades and Labor Council also adopted this as policy in March last year.

We are honouring a promise given in 1965 to create a tribunal, and for that reason I support the Bill.

I have never liked the alternative method of determining our own salaries. I always had a feeling of guilt for that very reason; that we determined our own salaries by legislation, and yet asked the trade union movement and others to go to arbitration. This seemed to me to be preferential treatment to our advantage.

We have not been slow over the years to impose legal paraphernalia on the trade union movement—and recently on the Public Service—to determine the remuneration it should receive. The legislation before us will, to some extent, bring us into line with the people I have mentioned.

The trade union movement and the Civil Service Association must present their cases and base them on the cost of living, the increases in prices, etc., to justify the salaries they seek. As we know, prices are increased without reference to any tribunal or to any authority at all. The Bill now before us brings us more into line with the procedure I have outlined and is thus more democratic.

When we increase our own salaries we are criticised by the Press, and recently we have seen criticism in relation to the setting up of the tribunal referred to. It would seem we just cannot win in the eyes of the public and the Press. We are criticised if we increase our salaries by legislation, and we are now being criticised for attempting to appoint a tribunal to fix our salaries.

I do believe that the deliberations of the tribunal should be open to the public, as is the case with the tribunal which determines the wages and salaries of those we represent. If it is good enough for them it should be good enough for us.

I am of the opinion that the salary paid to a member of Parliament should be sufficient to attract men of talent. I do not mean to imply that there is no talent in this House at the moment, but if the public demands the best, it should be prepared to pay for the best. For example, unless a university graduate were a very dedicated person, I could not imagine his leaving a more remunerative post to come here on a lesser salary.

I have no doubt the tribunal will consider these points and determine the rates to be paid on that basis and on the material submitted to it. I support the Bill.

MR. BRAND (Greenough—Premier) [10.5 p.m.]: I thank the Leader of the Opposition and others who have supported the Bill before us. It was necessary to agree on the most desirable method of fixing the salaries of members of Parliament. I do not think it was so much the amount of salary paid to a member of Parliament which was generally opposed, but the question of a regular review of such salary. This stemmed from the reluctance of the Government of the day to set up an inquiry which would bring in its wake the usual public controversy which we have seen over many years not only in every State but also in the Commonwealth.

As I said when introducing the Bill, no matter which method we adopt to determine the increases that should be paid to members of Parliament there will always be some criticism of it. We will have to learn to live with this problem.

For example, there has been some criticism recently of the type of tribunal that should be established; what it should do; and who should comprise the personnel of the tribunal. It has been suggested that we should appoint an ex-judge from outside the State. I am not sure that we should not leave this matter open to the Government of the day to obtain men—the best possible—who will make a reasonable and justifiable decision.

I also think that we should leave open the question whether certain evidence should be taken in private, though I imagine the tribunal will be quite happy to have public hearings. It must be recalled, however, that even in the case of the last tribunal certain members of Parliament placed all their confidential and financial information before that tribunal.

This is somewhat different from a union or an organisation which must go before a court, where the situation is dealt with generally, and not so much on a personal basis. In our case, however, very often it gets down to personal and intimate details of our financial situation having to be put forward to prove that the time is ripe for a reconsideration of our salaries, allowances, and conditions.

Unless we are prepared to offer a reasonable salary we will not get the calibre of candidate that we require or desire. In a sound economy such as ours is today, young people are inclined to pursue their own line of endeavour, and it generally becomes a question—in the case of a member of Parliament—of someone deciding he will stand.

The member for Beeloo referred to a part of the Bill which mentions "House of the Assembly" in some places, and "Legislative Assembly" in others. In order to secure consistency I will have the necessary amendments made in another place so that reference will be made to the Legislative Assembly right through the Bill. I think "House of Assembly" has crept in because of the position in South Australia.

I do not think any amendment should be made at this time to increase the allowance for the Deputy Leader of the Opposition in the Upper House. This is the House to which the Government has been elected; it is the members of this House who have been elected on a majority vote which has decided the Government of the day. I think there is only one Leader of Her Majesty's Opposition. In the other place we have the Leader of the House—who is a Minister—and we have the Leader of the Opposition. I doubt whether we should go further than that.

I also wish to refer to an amendment which has come from the Crown Law Department as a result of submissions from officers of our Parliament who are responsible for the payment of our salaries. This amendment seeks to obtain consistency as to the payment of certain groups under the proposed new law. It is a matter of changing words. The reference to equal instalments being paid monthly is a matter of administrative convenience. I will, however, see that the necessary amendments are made in another place.

Mr. Jamieson: What about the reference I made to the payment of the two leaders? Does that apply in both Houses?

Mr. BRAND: I will discuss this with the draftsman and have the whole matter clarified, but I do not think we should make any basic amendments to the Bill. We should allow the Bill to go through on the basis of establishing a tribunal to decide the salaries of the people listed in the original legislation.

Mr. Bickerton: There are a few drafting errors. If they are fixed up at the other end it will save us going through them in the Committee stage.

Mr. BRAND: I was about to suggest that if the Bill was allowed to go through as it is, I will have various drafting amendments made in another place.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (Mr. W. A. Manning) in the Chair; Mr. Brand (Premier), in charge of the Bill.

Clauses 1 to 3 put and passed.

Clause 4: Interpretation—

Mr. JAMIESON: I would draw the Premier's attention to paragraph (k) of subclause (2). This appears to have been taken out of other legislation without the draftsman knowing what was intended.

It is quite conceivable the Premier and the Leader of the Opposition could be in another House. If it specified "in the Legislative Assembly" it would be clear and there would never be any argument at a later stage. If there are a couple of parties of eight members each in Opposition in the Legislative Council, each leader will be wanting to claim to be the leader of a party of more than seven. If the position is clarified, we will know exactly what it means in the future.

Clause put and passed.

Clause 5: Parliamentary Salaries Tribunal—

Mr. BRAND: I want to take this opportunity to emphasise how difficult it is to do the right thing, even following what has been said in the Press, from time to time. I would remind members that in 1965 there was a leading article which towards the end said—

> This tribunal needs to be established on a permanent basis, making either annual reviews or triennial reviews before each general election. It would be appropriate if the politicians themselves were the first to break with automatic cost-of-living adjustments.
>
> Because of the difficulty of getting competent members quite independent of government and parliament, it would be advisable to seek the services of the Chief Justice or his nominees as chairman of the tribunal.

The latest leader reads as follows:—

> The government risks special identification with its new tribunal's decisions since it will appoint the members and determine how much they are paid; even their length of service will be at the government's pleasure. It would be better to fix a term of not less than six years and have the pay and allowances laid down by statute instead of by government favour.
>
> Moreover, the chairman of the tribunal should not be a judge who, being in the government's employ, would find the job embarrassing. Because there are links between remuneration for politicians, public servants and the judiciary and any adjustment produces a chain reaction, . . .

Mr. Bickerton: It might have been a different leader writer.

Mr. BRAND: Yes; but whilst we are criticised for following certain lines and taking certain actions, it seems to me that this is yet another proof that no matter what is done it will not be right.

Clause put and passed.

Clauses 6 to 16 put and passed.

First to fifth schedules put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Mr. Brand (Premier), and transmitted to the Council.

LICENSING ACT AMENDMENT BILL

Council's Further Message

Message from the Council received and read notifying that it withdrew its further amendment to the Assembly's amendment No. 3, and that it had agreed to the Assembly's original amendment.

FISHERIES ACT AMENDMENT BILL

Receipt and First Reading

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

Second Reading

MR. ROSS HUTCHINSON (Cottesloe—Minister for Works) [10.23 p.m.]: I move—

That the Bill be now read a second time.

This is just a small Bill which should not take up too much of the time of the House. Its purpose is to amend certain sections inserted in the principal Act by a Bill passed in 1965. This Bill provided for the licensing of fish processors and the creation of a fund to finance fisheries development and extension. Processors were called upon to pay license fees which were to be credited to a special fund in the Treasury for this purpose of development and extension.

The effect of the amendments put through at that time was that the grant of a processor's license was to all intents and purposes automatic, provided the plant was properly equipped and hygienically run. The Director of Fisheries was empowered to refuse a license, but Crown Law advice throws doubt on the power of the director to refuse any application for a license if these criteria are met.

The situation has now arisen that people from virtually all round the world are becoming interested in our prawing potential up north. It could well be that many concerns would want to set up processing plants in places where it would not be economically sound to do so and for latecomers to provide undue competition to plants already established. This could easily spell ruination to people who had spent a lot of money in proving the potential of a given area, built a processing outfit, and then find that somebody else, who has spent little or nothing in proving the area, comes in and builds or establishes another plant.

It is with a view to stopping undue, and uneconomic proliferation of such plants that the first amendment is brought down. It is proposed that the director may refuse an application for a license if he considers it is in the better interests of the fishing industry to do so. This has been accomplished by repealing and re-enacting section 35 (C). Paragraph (b) (ii) gives the director the power to take into consideration the fundamental need for the processing establishment. He will be required to give reasons for his decision so that an aggrieved applicant may properly contest his decision if he decides to exercise the right of appeal already existing in section 35(K).

Existing section 35L specifies the moneys which are to be paid into the fund. Paragraph (b) of subsection (2) provides that certain fines should be so paid. It reads—

(b) All penalties under this part for offences against this Act.

Upon maturer consideration this is considered to be undesirable, and it is proposed to replace this provision with another which provides that the proceeds from the sale of any fish, etc., caught during exploratory fishing operations shall go into the fund.

Members will understand that much of this work will be accomplished through the chartering of commercial fishing vessels. These boats will be expected, and indeed encouraged, to catch fish in order to determine the future of a given area. It is reasonable that those fish should be sold. It is also reasonable that the proceeds of such sale should be credited to the fund from which payments for the charter will be drawn. The amendments suggested will make this possible.

The third amendment is intended to clear up the wording of the section which indicates the purposes for which moneys in the fund may be expended. The wording of existing subsection (3) of section 35 is somewhat unclear and the words proposed to be inserted in lieu of the words to be taken out will leave the intention in no doubt. I commend the Bill to the House.

Debate adjourned, on motion by Mr. Norton.

ACTS AMENDMENT (SUPERANNUATION AND PENSIONS) BILL

Second Reading

Debate resumed from the 16th November.

MR. TONKIN (Melville—Leader of the Opposition) [10.27 p.m.]: This has been a long awaited Bill. Quite a number of people in the community have been looking forward to this and I regret to say

that now it is here it is a big disappointment. I gathered from what the Premier said that had it not been for the fact that the Government made a firm promise to introduce such a Bill, it would not be here even now, because it looks to me as if it has been brought here without adequate study and preparation, and it is a sort of half-baked proposition.

I think the Government is blameworthy for the way it has handled this matter. Firstly, there is no doubt whatever that a review was abolutely necessary, and the Government recognised it was necessary when the Premier gave a promise last session that he would do something about it. But the session went on, and finally the Premier had to say that because he was unable to get the services of an actuary and so complete his investigations, he could not proceed with a Bill, but that it would be introduced this session.

I understand that in June of last year the Joint Superannuation Committee submitted a request to the Premier that he should meet the members of the committee for the purpose of discussing required amendments to the existing Statute. The Premier completely disregarded that request, and it was subsequently put to him again in August and again in September last year, but instead of agreeing to meet the members of the committee, the Under-Treasurer was deputed to meet them.

The members of the committee were not given any opportunity whatever to express their ideas about what ought to be done, but they were informed by the Under-Treasurer that the Premier had decided to appoint a special committee to go into this question and the committee would be enjoined to make its report not later than the end of June, this year, after which legislation would be introduced. That is in very great contradistinction to what occurred in Victoria, where there is a Liberal Party Government in office. There, the Premier was not above consulting members of the Teachers Union, members of the Police Union, and members of the Public Service Union to get their views; and, subsequently, when the legislation was ready for introduction, the general principles of the legislation were discussed with the representatives of those organisations.

In addition to that, the Premier in Victoria agreed to make available to all members of Parliament the report of a special advisory committee which his Government had appointed to go into this question so that members would be fully informed of the position and be able to come to their own conclusions about the requirements which should be introduced.

Even at this late hour I think it is not unreasonable to ask the Premier whether he is prepared to make available the report which his own special hand-picked committee submitted. The Premier himself has said this committee did not recommend this proposal which is now before the House, but recommended what is known as the updating of pensions.

It is very significant that the various committees which have been appointed in different places have, without exception, recommended the updating of pensions in order to meet a situation which is the result of the erosion of pensions by increases in the price structure. The Commonwealth had advice in connection with what ought to be done, and the Commonwealth three times has adopted the method of updating the pensions. The Premier's own committee recommended updating and, in addition to that, the special actuary whom the Premier employed also recommended updating. The reason we are given here that this has not been adopted is that there has been insufficient time to properly work out the cost of such a scheme, and therefore time is necessary in order to have this worked out; and when it is worked out, consideration will be given to whether or not the Consolidated Revenue Fund can stand the impost.

Anyone who takes this as an undertaking that the Government will, in due course, introduce an updating pension scheme is deluding himself, because this is no firm promise to do that at all. This is a proposal to pay a very small and inadequate amount as from the 1st January, with a statement that an investigation will then be set in train in order to work out what the cost of an updating scheme will be. When that is ascertained, further consideration will be given to the matter; and so that leaves the door open for the Premier to say that the State cannot afford it, and that will be the end of it.

I do not think that is fair treatment at all for the people who are suffering through no fault of their own. Inflation has been responsible for placing these people in a desperate position. Those who retired quite a number of years ago are indeed in a desperate position. One must have an appreciation of the basis of a pension scheme to fully understand just what is happening now with regard to our existing scheme in Western Australia.

When pension schemes are inaugurated, an attempt is made to determine a proportion between the existing salary upon which a man retires and the pension which will be paid to him after he has retired. Now, because of increases in prices over the years, we find that the original proportion is not maintained, and the pension being received by the pensioner is far below the amount of money he ought to be receiving in order to place him in a position similar to that in which he was when he actually retired.

All schemes are faced with the problem, and the Premier acknowledges that there is such a problem and that there should be a remedy. He then goes on to say that we should look for the answer. The answer has been supplied, surely, by what the Commonwealth has done on three occasions and what Victoria has done, and what his own special committee and his special actuary have recommended. All of these suggest that the proper way to deal with this situation is to update the pension; but all the Premier says with regard to that is that he will make an interim payment—which is quite inadequate—and then he will have an investigation carried out and some time next year he will give consideration to whether such a scheme can be financed by Consolidated Revenue.

When the Government proposed to dispose of the State Building Supplies, it did not give any such consideration to whether the Treasury could stand the impost which would be levied upon it; and the Manager of the State Building Supplies at the time in his report reminded the Government that the action it proposed to take was going to be costly, but he supposed it had taken that fully into consideration. I asked some questions in 1964, and previously in 1963, regarding this matter and the Premier informed me that the impost on Consolidated Revenue, resulting from the writing-off of loan capital would be $136,334. Actually for the first year—1961-62—that action on the part of the Government, purely in accordance with policy, and not to confer any benefit upon anyone other than Hawker Siddeley, placed an expenditure on the Treasury of $195,264; and the Government did it without blinking an eye.

This is a continuing impost on the Treasury—a yearly impost—at present running at $136,000; but the Government did not hesitate to place that burden on Consolidated Revenue, because it was in accordance with its policy of getting rid of State enterprises. However, when it becomes a question of doing justice to persons who were previously servants of the Government, it is concerned about the cost to Consolidated Revenue and so it wants a further look at the matter to see if the State can afford it.

We hear so much about the prosperity of the State, the developing industries, and the affluent society in Western Australia, and yet we are quibbling at taking a step which other Governments have already taken because of a recognition of the fact that a problem exists and there is a responsibility upon the Governments to do justice in connection with it. But we cannot afford it! We cannot take the risk! We will agree in principle to the updating of pensions and then we will have an investigation to see if we can afford the principle! I think it is a scandalous situation if we are to treat our servants in this way when we acknowledge the existence of this problem and the absolute necessity to do something to alleviate it.

What has caused all this delay? There was all last session and most of this session, and yet the Bill comes along and misses the last week of the session only by the skin of its teeth. It was obvious when it was brought here last week that it was a rush job so the Premier could put himself in the position of refuting any criticism that it was being brought here in the last week of the session.

Surely when the need for this was recognised so early, one could have expected something better than that. Why were not the organisations consulted so they could submit their points of view with regard to what the Government proposed? I am not suggesting the detail of the measure should have been disclosed, but it is not unreasonable to suggest that these organisations which have been so interested right from the start should have had the opportunity to discuss the general principles upon which the Government proposed to act. But, no! All the way through there has been an attitude of complete disregard for what anyone else thought, and now a virtual rejection of the recommendations of the Premier's own special committee and the actuary he appointed.

Mr. Davies: Who were the members of the special committee?

Mr. TONKIN: I think there was a Mr. McKenna of the Superannuation Board for one. Mr. Rex Ellis was the second, but the name of the third member escapes me for the moment. However, the three members were appointed by the Premier himself, but the recommendations of this special committee were not accepted by the Government. Surely that is most unusual, and the Government must have had some reason—known only to itself—for taking this line of action.

I think it might be necessary to explain what is meant by an updating of pension, because it is a term which is quite often used, but infrequently understood. It simply means that Consolidated Revenue will pay that portion of the additional units which could have been taken out by a pensioner if he had not retired when he did, and he retired on the date decided upon for updating. Therefore if we update to, say, 1966, we would call upon Consolidated Revenue to supplement the pension by the amount which the Government would have to pay for the number of units which could have been taken out by a pensioner in 1966 if he were then in a position to take them out, but, through having retired much earlier, the option is not available to him.

Mr. Brand: Having regard to the number of units which he did take.

Mr. TONKIN: The Premier is introducing another aspect; that is, if he did not take out the maximum number of units, he was to receive a proportionate amount

of pension; but I was leaving that aspect out of my argument for the moment, and was dealing with the man who took out the maximum number of units when he did retire; and if his pension was updated it is conceivable that the maximum amount he would receive would be double or treble the amount he would receive when he did retire. In updating the scheme the Government is then called upon to supplement the pension by the amount of its own contribution for the additional units.

The Commonwealth has accepted that three times and is currently carrying out another review on that basis. Victoria adopted it also as being the fair thing to do in the circumstances. What was the basis of earning power used by the actuary when he determined that the fund was capable of providing only 10c per unit by way of supplementation? It seems to me a very low rate of interest was used and, having regard for the fact that the amount in the pension fund is some $3,700,000, I would like to see the determination so I could form my own opinion on what the fund is capable of earning. But we are given no information on that whatsoever.

I do not know why the Premier wants to keep the report to himself. Surely the information is such that members should have it before them to determine whether the Government, in the circumstances, is acting reasonably. If the Government in Victoria has no objection to making its report available to members of Parliament, how can there be any objection in Western Australia? I fail to see why this report must be kept to the Government itself. It is not in the nature of a confidential report. Surely it ought to be an actuarial report and one that is compiled after consideration of all the aspects of this matter, and surely we should know the recommendations and the reasons for them so we can decide whether the Government's action on this proposal is fair and reasonable in the circumstances.

In considering this matter one factor which must be kept well in mind is that 60 per cent. of the pensioners are on four units and quite a number of them would have taken out four units at a time when five units were the maximum. Some people are apt to believe that a pensioner who has only four units neglected an opportunity available to him to take out a number of units greatly in excess of that number, but that is not so, and of course, on the salaries obtaining at the time, to take out four units was indeed quite a burden.

Surely we will not say to these pensioners, "It is just too bad that you retired several years ago and we cannot do much for you." There is definitely an obligation on the State to recognise that because of the increases in the price structure these pensioners have been placed in a position they could not have contemplated at the time and which they themselves now cannot remedy, and to expect the fund—and in the main that is what the Government is expecting—to provide the money to increase these pensions to a reasonable amount is to expect the impossible. It has not been expected anywhere else.

I would agree that some of the income of the fund could be used to assist in updating the pensions, but we have to realise that the main burden of this exercise must fall on Consolidated Revenue and we should be prepared to accept it, because common justice demands that we accept it in order to act in a fair and reasonable manner. It is no good searching for any other method. Other methods have been tried in the past by successive Governments and they have proved to be quite inadequate. If the Government intends to increase the units in the expectation that that will meet the situation it just will not go down today, because that method has been tried in a number of ways and it is most unsatisfactory.

We could be left with a similar method in this instance because, as I have already said there is no guarantee the Government will introduce an updating pension scheme some time next year. I do not think we should be prepared to accept a scheme such as the one brought forward now because, in some respects, it is an insult to the people who will be offered the small amount proposed. Another aspect of this matter, and one which I think the Government has overlooked, is that there are some people receiving social service benefits and, because they are receiving those benefits, are in receipt of fringe benefits. Those people will lose those fringe benefits because they will receive a small addition to their superannuation.

Victoria recognised the position in which those people were placed, and Western Australia recognised it previously by making special provision in the law to deal with the situation. The Social Services Department operates in this way: If a pensioner declines to accept the increase in superannuation because he knows that to accept it will mean a reduction in his pension from the Social Services Department and possibly deprive him of his fringe benefits, the Social Services Department will still credit the amount against him as income he could receive and so he will possibly lose the fringe benefits he previously enjoyed.

We had a provision put into the Pensions Supplementation Act of 1953, which reads as follows:—

> Where a person is receiving a pension under an Act of the Commonwealth Parliament, he is not entitled to supplementation under this Act to an amount which together with his other income, exceeds that which he is permitted by the provisions of that Act to receive as income without reducing the pension under that Act.

That would have the effect of defeating any proposed action by the Social Services Department to reduce the pension being paid by that department and therefore deprive a man of his fringe benefits. Surely we ought to safeguard that provision in regard to our pensioners in this State who will be faced with the situation that they are being offered a small amount which will be of little use to them. But whether they accept it or not, they will be penalised by the Social Services Department. In Victoria this situation is also safeguarded by a special provision in the legislation of that State and I think we should follow suit.

I trust the Premier will give further consideration to that aspect with a view to taking some action. From what I have been able to gather from the inquiries that have taken place in connection with what is the right thing to do in an endeavour to remedy a situation with regard to pensions, it seems to me that what we are aiming at is a formula which will automatically preserve in the future a determined proportion between salaries and pension. That puts the matter succinctly and that should be our objective, and the only method by which we can achieve that objective is by updating all pensions. If we agree the objective is sound we should all be striving to reach it. I think there is an obligation upon all of us to adopt the only method by which we can achieve that objective; namely, by following what the Commonwealth has done and what Victoria has done.

This increase is not a bonus. It is an attempt to remedy a situation which has developed over the years and the last review which can be put in the category of being a full review—it was not an adequate review, I freely admit—was in 1958. In the intervening period the situation has become worse and this is the way we propose to deal with it. Why could not the Government have adopted the suggestion of the committee if we are not in the position to ascertain what the full cost of updating would be? Why could not the Government have adopted the suggestion of the payment of 25c per unit? That would have been far better than the present proposal. It would have created less dissatisfaction, and would have been some indication of the Government's sincerity of wanting to go as far as possible in meeting the present situation.

From what I have read, that was a recommendation by the committee, but it was not accepted by the Government. In Great Britain, where the pension scheme is non-contributory, there is a basic principle that the pension will be not less than 50 per cent. of the salary. That is the situation in the Commonwealth service, but some of our pensions fall far below that, and so that is another aspect to which some consideration should be given. If we look at the pension scales operating in the various States, and the pension scales in the Commonwealth service, we have to admit that ours is about the worst, and we are supposed to be the State on the up and up; the affluent State with wealth rolling in and everybody prosperous. Yet we have the worst superannuation scheme in the Commonwealth.

After all this time surely this is our opportunity to do something about it; to do something worth while; not to just make a gesture! That is what this Bill looks like to me. It appears that the Premier, having given a promise on a number of occasions that legislation would be introduced this year, brought this Bill forward without quite knowing where he was going.

I do not think the Government is happy with the proposals in the Bill. In my view the Premier, in explaining the measure, put forward nothing in justification of it. There is no recommendation from any knowledgeable person that this is the sane way to deal with the situation. No committee has made a recommendation; on the contrary a different method entirely has been suggested, but the Government has chosen to ignore that completely and to introduce a scheme which satisfies nobody.

All that the Government is doing is to make good an undertaking it gave that such a Bill will be brought before Parliament for consideration. It is unfortunate that a measure of this kind is under consideration so late in the session. There is little or no opportunity for representations to be made to the Government in connection with the matter. We cannot take the risk of jeopardising the small offering which is being made. Some of the pensioners are in such dire straights that they are forced to accept anything the Government offers. In my view the Government should and could have done far better.

It certainly could not have avoided making the increases retrospective to the 1st January of this year, because under the initial promise legislation was to be introduced last year. If it had been introduced then, any increases granted would ordinarily have operated from the 1st January, 1967. The Government is giving nothing away in this respect, because the delay was of its own making and of its own responsibility. It would be quite unfair for the Government to take it out on the pensioners, because it was not possible to have legislation passed last session.

A little thought will lead members to realise that the present situation can be put simply as this: Pensioners are being left to meet the increased living costs on a pension which was determined on the cost of living many years ago. This is a matter on which only the Government can act. Actions of Governments are responsible for increasing prices in the

community, and the pensioners are left to put up with the result. They are expected on a fixed income to meet these rising costs.

I put it to members that this is not a question of whether the Government can afford to introduce a fair and reasonable scheme. It is a question of whether it can afford not to do so. I would strongly urge a reconsideration of this measure. I shall concede it is desirable the Government should have an idea of the cost involved. I believe there has been adequate time available for it to arrive at that cost, if it had shown some alacrity; but seeing it has not arrived at the cost it can quite easily adopt the suggestion of the committee and add 25c to each unit, and give a definite undertaking that when the scheme is properly worked out an updating pension scheme will be introduced. If the Government is prepared to do that then a lot of the criticism will fall away.

If it is satisfactory for Victoria—one of the standard States—and for the Commonwealth to keep on following that method, surely that is sufficient evidence to establish it is the correct method for Western Australia to adopt in the circumstances. Because I do not want to deprive the pensioners of the offering which the Government is making I am reluctantly obliged to support the Bill; but I want, completely and strongly, to emphasise that I share the view of those who say it is hopelessly inadequate and it is a big disappointment. These pensioners have been led to believe that a fair and reasonable thing will be done for them, but in my view that will not be achieved by this legislation.

MR. FLETCHER (Fremantle) [11.6 p.m.]: I, too, want to pass some comments on this Bill. I would have supported it with great enthusiasm if it gave more to those who deserve to be helped. However, I have demonstrated an interest in this matter for some considerable time. I have asked questions repeatedly as to when this legislation would be introduced, the date of introduction, and what might be expected to be in it. The previous Leader of the Opposition also asked a similar question, as did the present Leader of the Opposition. I would point out that the present and previous employees of the Government have waited with expectancy for a considerable time for the introduction of this legislation, not only as a consequence of the questions that have been asked, but also because of the replies which have been given.

The Leader of the Opposition referred to the committee and to the decision of the actuary which was in favour of updating the pensions. He also explained the formula upon which the updating would be implemented. As I understand the position, it is based on what a person would be earning several years hence, in the light of intervening inflation. If trade unions are granted increases as a result of inflation, then is it not reasonable and just that members of the Civil Service Association and other public servant pensioners should be treated likewise?

Let us see what the Bill seeks to achieve. According to a report which appeared in *The West Australian* of the 18th November, the committee's secretary (Mr. Currie) made some comments. The report states—

> Mr. Currie said his committee had expected a 25 cent increase a unit as an interim measure leading to a firm pensions up-dating scheme.
>
> The Government bill proposes an increase of 10c a unit—with a minimum lift of $2 a fortnight in pensions—till consideration of an up-dating scheme.

That bears out what the Leader of the Opposition has said: A promise has been given for the future consideration of an updating scheme. I object to such dubious promises being given by the Government. It rather smacks of the donkey and the carrot.

I know it may sound to be unfair criticism, but it seems to me that with an election pending the intention of the Government is to keep a certain percentage of the pensioner-electors happy. All members of Parliament have received correspondence from the Civil Service Association. I would like to place on record the correspondence that I have received, and I do so deliberately because that is what *Hansard* is for.

Mr. Brand: For recording your letters!

Mr. FLETCHER: I do not have to base my speech on what is written for me. I do think it is worth while that this correspondence should be recorded in *Hansard* so as to express the feeling of a very worth-while organisation—the Civil Service Association—and of other public servants.

The following is a letter addressed to all members of the Western Australian Parliament:—

> 17th November, 1967.
>
> Dear Sir,
>
> The Joint Superannuation Committee which consists of representatives of Unions and Associations with members contributing to the State Superannuation Fund is shocked at the contents of the Bill to amend the State Superannuation and Family Benefits Act, now before the Parliament.
>
> The recommendations of the Special Committee appointed by the Government to inquire into and report on Superannuation have been either rejected or postponed. In view of the position in the Commonwealth and Victorian Public Services, my Committee confidently expected that an up-dating scheme would have been

adopted to restore the value of pensions, but the Government has failed to make certain that such a scheme will be implemented in the near future, and has merely promised an investigation.

The pensioners have grown tired of promises and cannot be blamed for believing that the Government has no real intention of restoring their just entitlements.

A pensioner, such as the retired Under Secretary, instanced by the Premier in his second reading speech, will continue to suffer unless the Parliament substantially increases his pension pending the implementation of an updating scheme. Under the Special Committee's recommendations, this pensioner would have received an increase of $6.50 per week. Under the proposed Bill he will receive a meagre $1.30 per week increase, all of which will come from the Fund surplus resulting from the contributors own payments.

To enable all Members of the Parliament to appreciate the unsatisfactory situation of the Fund compared with the Commonwealth and other State Funds, I am forwarding herewith comparative tables.

My Committee trusts that the Legislature will insist that retired employees of the Western Australian Government will receive no lesser deal than retired employees of the Commonwealth and other States.

Yours faithfully,
John M. Currie,
HON. SECRETARY.

I have pleasure in placing that letter on record for the reasons I have mentioned. Whilst I realise that figures can be tedious, I would ask the indulgence of the House to make a brief reference to the comparative table that accompanied the letter I have just quoted, in order to show that the Bill before us is totally inadequate in regard to entitlement, as compared with the other States and the Commonwealth.

On page 2 of the table appear the details of the Western Australian and Commonwealth superannuation schemes. The third paragraph states—

Pension as a percentage of salary—
Commonwealth and all States.
(Salary, $2,000)

	%
Western Australia	71
Commonwealth	68
Victoria	68
New South Wales	70
Tasmania	72
South Australia	71

There is no great disparity at this level, but the figures demonstrate that on a salary of $18,000 the amount for Western Australia is only 26 per cent. whereas for the Commonwealth it is 51 per cent., so the pension in Western Australia represents approximately half that of the Commonwealth. This is a glaring example of the injustice which is inflicted on the members of the Civil Service Association at the present time.

I will not quote further figures from that particular portion because it is self-evident, and all members have received a copy of it. However, I do wish to read a further two paragraphs which will bring the point home more forcibly to members opposite. On the same page is the following:—

State Superannuation.

Age 40 next birthday on a salary of $8,000 per annum and taking out maximum number of units—40, would pay over the 25 years a total of $9,906 for a pension of $3,692 . . .

Commonwealth Superannuation.

Approximately the same total payment, namely $9,867, would entitle a contributor on a salary of $6,000 per annum and aged 40 next birthday to $4,186 per annum based on 46 units at 33 cents per unit per fortnight over 25 years.

In other words, on a State basis the return would be $3,692, and on a Federal basis, $4,186. Surely these figures are sufficiently revealing to make members opposite—and the Government—realise that an injustice has been inflicted on the Civil Service Association and civil servants in this State. Furthermore, as was pointed out by the Leader of the Opposition, this alleged benefit will be drawn from the fund to which the public servants have, over the years, contributed, instead of being taken from revenue.

We, on this side, are quite aware of the Premier's problems as Treasurer, and the problems of the Under-Treasurer. We are quite well aware of the shortage of money and that the taxpayers' money is being used for less worth-while purposes; for example, the frequently-mentioned V.I.P. planes and F111 planes, which are being acquired with taxpayers' money. The last-mentioned planes are about as good at flying as our native emus.

Mr. Williams: How would you know?

Mr. FLETCHER: They have been criticised by the American Press, even though the member for Bunbury might think they are all right. They have also been praised by Federal members.

Mr. Williams: They have also been praised by the critics.

Mr. FLETCHER: The taxpayers' money is being wasted in this way and, as I have mentioned previously, in sending troops to Vietnam in order to buy goodwill and dollars. This revenue should be used to assist those who deserve it rather than that money should be taken from a fund

to which the civil servants themselves have contributed. The State should be receiving extra finance and then the Premier would be in a better position to do more for the State in many respects, including public works. If the finance I have mentioned were available to the Premier, it would assist in these pensions. Instead, as I have said, the money is to be taken out of a fund of the public servants themselves.

I could go on indefinitely on this Bill, but I do not wish to weary the House. I rose to express my opposition to the parsimony which has been adopted in relation to these pensions. However, as something is better than nothing, I, like our leader, support the Bill with reluctance.

MR. BRADY (Swan) [11.19 p.m.]: In connection with this Bill, I cannot help but believe there will be a general feeling of depression amongst those people who have anxiously been looking forward for some considerable time to the day when their pensions would be lifted considerably as a consequence of the measure which the Premier had advised would be introduced.

Numerous members of the Civil Service Association and the Railways Department have inquired from me from time to time over the past four or five months about the contents of this Bill. Of course, the Premier did not tell us until the Bill was introduced the other night what the proposals were; and already a feeling of disgust is evident in many quarters because of the meagreness of the payments which the Government now intends to make in regard to superannuation pensions.

What a number of people seem to overlook is that when many of those on superannuation first retired, the basic wage was about £6 or $12. Today it is over £16, or around the $33 mark; but the superannuation pension has not risen by anywhere near the same proportion. I have mentioned in this House on many occasions the case of a man who retired from the stores branch of the Railways Department at Midland on a pension which was approximately $4 over the then basic wage. Today he is receiving a pension which is about $10 under the basic wage. I have heard only in the last 24 hours of a policeman who retired on $15.75 when the basic wage was $12. With the basic wage today at $33, members can see how this policeman has been greatly disadvantaged by the rise in the cost of living.

The vast majority of these people are small unit holders. According to the annual report of the Superannuation Board in 1966, of the 5,172 who are holding units in the Superannuation Fund, 2,973 are holding four units, because they probably felt that was the maximum number they could afford. In other words, three fifths of those in this fund have taken four units.

As I said before, those who have retired since 1938 have until now gradually seen their superannuation benefits recede rather than appreciate; but they thought they were going to get a substantial increase as a result of this particular measure. I know the Premier and Treasurer would be entitled to say this Bill provides for these people to get something extra. I know the Bill does so provide, because it is laid down in the fifth schedule that should be the case. But what I want to point out is this: As a consequence of the actuarial review which takes place from time to time in regard to this type of fund, it would appear there is a surplus that can be made available.

Quite a lot of the money that will be paid back to the superannuitants will be paid from the rise in the capital value of the Superannuation Fund. So, to some extent, superannuation subscribers will, in some cases, be receiving quite a substantial sum of money that they have invested in this fund. It seems that many of the pensioners who are over the 20-unit grade will not get any substantial increase at all as a result of this measure. They are concerned that there is not to be a substantial improvement.

On Friday morning it was reported in *The West Australian* that the Government was going to make these increases in pension payments. First thing on Friday morning, members of the fund who were formerly employed by the Midland Railway Company, and who are now working in the Government railways, rang me to say that the increases would be paid only to employees who were in the fund in June, 1964. They pointed out to me that whilst they had been in the railways for 20 or 30 years they were able to join this fund only in August, 1964, approximately two months after the date set out in this Bill. Therefore they will be precluded from getting any increase in their superannuation.

I understand these employees have had to pay in substantial sums of money in order to join this fund and they would like the Premier to have a look at their particular difficulty, because they joined the fund in good faith and expected to receive any benefits that might accrue. However, they feel they are going to be deprived of some of the benefits to which they have subscribed since joining the fund in 1964.

I feel the Leader of the Opposition put forward an almost watertight case as to why the Premier should have been more generous in regard to the increased payments; first of all, because the special committee that was set up recommended something better should be done; and, secondly, because the view of an actuary who had a look at the whole position was that the fund could stand greater benefits to subscribers.

Within the last 24 hours another point of view has been given to me; that is, quite a lot of the money in the Superannuation Fund has gone into the erection of a huge

Government building in St. George's Terrace making it possible for the Government to get improved offices for its departments at a very nominal rate of interest. These people also say that if the Superannuation Fund committee had gone into the subject of greater interest payments on investments, greater superannuation payments could have been made to subscribers. There seems to be some merit in that argument. It appears that because the committee has loaned this money to the Government at a reasonable rate of interest, the subscribers to the fund will be the ones to suffer.

Like the other two speakers—the member for Fremantle who has just resumed his seat, and the Leader of the Opposition—I do not want to be a knocker of the Bill, even though I am expressing the opinion that more substantial payments into the fund could have been made by the Government from Consolidated Revenue. I am mindful, of course, that we are close to Christmas, and some of these payments will be retrospective to January last; and no doubt whilst the people are disappointed with the amount which will be paid to them, I do not want to see them denied that sum of money which will go to them as a consequence of the Bill.

I would like the Government to have a look at the overall position as far as these pensioners are concerned, particularly those who have been retired for some considerable time. They are in great difficulty because the price of goods has risen steeply, which means that their pensions have been reduced. I would like to see them get some additional benefit to that which they are getting now.

I do not want to delay the House unduly, but before I resume my seat I want to say that I have heard quite a lot of men who are on superannuation deplore the fact that because they subscribed to superannuation they cannot draw it, if they want to retire at 60, and retain their employment in the Government service. If they want to receive the money and continue working, they have to leave the Government service and work for private enterprise. Those men feel that the Government is losing a valuable asset as a consequence of their having to retire.

I hope the Government will see its way clear to allowing those people to receive their superannuation at 60 years of age and be able to continue in employment. With those few remarks I support the Bill, and I hope the Government will substantially improve the benefits at a later stage when it is reviewing the whole of the Superannuation Act.

MR. HALL (Albany) [11.32 p.m.]: I would like to make a few comments on the amendment to the Superannuation and Family Benefits Act which is before the House at the moment. Like the previous speaker, I find that the benefits are not sufficient. I will not use the word "pensioners"; I will use the word "contributors." I think that the term "pensioner" does not apply in this instance.

I will refer to paragraph three of the letter which was quoted by the member for Fremantle. It is as follows:—

> A pensioner, such as the retired Under Secretary, instanced by the Premier in his second reading speech, will continue to suffer unless the Parliament substantially increases his pension pending the implementation of an updating scheme. Under the Special Committee's recommendations, this pensioner would have received an increase of $6.50 per week. Under the proposed Bill he will receive a meagre $1.30 per week increase, all of which will come from the Fund surplus resulting from the contributors own payments.

When we look at the annual report of the Superannuation Board, for the year 1965-66, we find the number of contributors, and the investments made by the Government in handling the funds. Under the heading of "Investments" on page 3 of the report the following appears:—

> The amount standing to the credit of the Fund at the 30th June, 1966, was $24,784,998 including $410,701 held in the current account at the Treasury. The daily balances of amounts held in the Trust Account at the Treasury earn interest on the "short term money market."

The member for Fremantle referred to the Public Works Department building in Havelock Street. In my estimation, the Government built those offices on the cheap. If the sacrifice had been made at the other end we could have made a greater advance to the contributors to the Superannuation Fund.

Over the years, the contributors have endeavoured to provide for their old age. However, we find that they are penalised for their thrift in many ways. First of all, they pay tax when they draw their money, and that money is also assessed as earnings. So it is taxed twice. The other iniquitous situation is that they are deprived of their social service benefits for which they paid during their lifetime of work.

When one considers rates and taxes, and the increased cost of living, one fails to see how the Premier could have thought of anything else except giving the pensioners a substantial increase. With the interest which the money has been earning, the Government should be able to make an advance much greater than what is being paid now.

With regard to the position in the Commonwealth, we find that the Commonwealth had a surplus. I will quote from

Federal *Hansard* No. 21 of November, 1965, as follows:—

> Mr. CREAN (Melbourne Ports) [4.3].—The Superannuation Bill particularly is a measure that has been long awaited by members of the Commonwealth Public Service.

That is also applicable to our own civil servants in this State. They have been waiting for some adjustment to meet the recent taxes which they have had to pay. To continue—

> The main purpose of the Bill is, I understand for the first time in the history of the Superannuation Fund, to distribute what is actuarially called a surplus disclosed by a quinquennial investigation of that Fund.

I think it is time we reconsidered the measure which is before the House and amended it in some way. The pensioners have to meet the increased cost of living and pay taxes. They are also deprived of social service benefits which they have paid for through their taxes during their service to the State. I commend the Bill for what it is worth, but, like other speakers, I think it is niggardly, and the amount should be more.

MR. BRAND (Greenough—Premier) [11.39 p.m.]: I would like to thank the Leader of the Opposition and those who have supported the Bill. I was about to say "reluctantly" but I do not think it was supported reluctantly. Criticism has been expressed with respect to the delay in the introduction of this legislation, and I think that is fair enough. At least it is what I would have said if I were on the other side of the House.

As I have explained from time to time the delay in the introduction of the legislation was occasioned by the fact that we did not receive the report of the actuary in time. However, the departmental committee, which reported to the Under-Treasurer, made certain recommendations which were difficult for the State to finance having regard to our claimant status. The Government was anxious to introduce legislation to give some relief, and so it was decided to bring this measure forward.

I want to make it quite clear we recognise that the Commonwealth is about to upgrade for the third time, and is about to adopt an up-to-date system for its pensioners.

We know that the Commonwealth distributed the surplus of the fund and then proceeded to take out of the general revenue the funds which were necessary to finance the updating system. As everyone knows, that is easy enough for the Federal Government to do, but State Governments do not find themselves in such desirable and happy circumstances. I would like to point out to the Leader of the Opposition that Victoria, which is the only State to accept the updating system, is financing its scheme from the surplus. An undertaking has been given by the Treasurer, Sir Henry Bolte, that the scheme will be underwritten and supported from the general revenue when there are insufficient funds to meet the scheme from the surplus. This is envisaged as a situation which might develop over a period of time.

I would also point out to the Leader of the Opposition and also to certain other critics of the legislation that the recommendation of the special committee which was set up was that the updating system should be introduced in 1969. As the Leader of the Opposition has suggested, the committee made a recommendation that there should be a general increase of 25c per unit per week. I would add that the Government's proposal, which is before the House at the present time, provides for $1 per unit per week in respect, at least, of those people who have four units. There are 60 per cent. of pensioners who would be in this category. I have the exact figure here, but it does not matter; the figure is in the vicinity of 60 per cent. of pensioners who have four units and they will benefit to the extent of 25c per unit per week for each unit up to four.

This is not a matter which should be overlooked. The Government, whilst mindful of the general need for updating, felt that it would like to help those people who had only four units, who had been retired for some considerable time, and who were in very difficult circumstances. It was out of consideration for those people that we made the payment retrospective to the 1st January. I do not altogether agree with the principle of retrospectivity, but because of the undertakings I had given in the past and in order to help the pensioner who has so few units, we considered it was quite necessary.

The actuary reported we should do nothing in the interim and that we should endeavour to adopt a scheme similar to that of Victoria. The suggestion was that it should begin in 1969. I undertook to the House that the Government should accept in principle the scheme that was in operation in Victoria and the Commonwealth. We will be the second State, excluding the Commonwealth, to adopt such a scheme, so we are not behind in this regard.

So long as the possibilities were not prejudiced by greater demands on the surplus through the introduction of any special scheme and provided we could keep that surplus mainly intact, I pointed out that we would have the basis for an updating scheme which could be introduced by way of legislation into the House in 1968, irrespective of what Government is in office. We need time to make the investigation. As the Leader of the Opposi-

tion has pointed out, it is almost necessary to have regard for the history of all of the pensioners, what they were doing in each individual case, and a number of other details which would help us to arrive at a figure and update it on the present scheme.

I understand the situation on which I stand to be criticised is the delay in introducing the legislation. I assure the House that it was for no other reasons than those which I have given; namely, the delay in the receipt of the actuary's report and the fact that our own departmental recommendations were not acceptable because of the financial problems which were evident if they were adopted. Therefore, I ask those who will benefit from this scheme to be a little more patient.

On the other hand, I believe we can introduce the updating scheme 12 months before it was anticipated by either the actuary or the special committee. Because there is a need to investigate the number of units which can be available, we propose to go further. I consider the time has come to look at this matter. Increasing salaries call for a further review of the number of units which members of the superannuation scheme can take out if they so desire.

I do not think there is anything more I can add on this matter. Some notes have been prepared for me, but I feel I have covered the overall situation sufficiently. We can harp on a particular aspect and talk about the past all night, but that will not get us very far. I simply say that we are prepared to give certain undertakings; and, provided the investigation and examination which we propose to make from the end of this year reveals nothing which is very difficult, we propose to go on with an updating scheme similar to the scheme which operates in Victoria. We would use the surplus in the same way and, of course, give to the scheme the same backing from the general revenue that has been given by the Treasurer in Victoria.

In the meantime, I think it is fair to say that we have been generous from the point of view of general revenue in the supplementation we have given for the time being, which I believe is justified in view of the very difficult plight in which people on fixed incomes—particularly those on the low-level incomes—find themselves when faced with the rising cost of living, be it ever so small.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (Mr. W. A. Manning) in the Chair; Mr. Brand (Premier) in charge of the Bill.

Clauses 1 and 2 put and passed.

Part I.

Clauses 3 and 4 put and passed.

Clause 5: Section 56 amended—

Mr. DAVIES: Could the Premier tell the Committee whether it will be mandatory for a female to continue as a member of the fund if she continues in Government employment after she marries?

Mr. BRAND: The notes which I have state that, as the Act now stands, a female employee who marries is deemed to have resigned on the date of her marriage, which prevents her from continuing as a contributor to the superannuation fund. This restriction is not to apply in future where a female employee continues in service after her marriage. Such an employee will therefore be allowed to continue her membership of the fund. In view of that I take it that it will not be mandatory for her to continue as a member of the fund.

Mr. DAVIES: For the sake of the record, I take it it is not mandatory for the female to continue as a member of the fund if she continues in employment after she marries. From the point of view of the fund she would be treated as a person who would not be returning to her employment in the Public Service, and therefore would not all her dealings with the fund be wound up at that stage if she did not want to continue as a contributor?

Mr. BRAND: I feel I should have this matter clarified. It does not make sense for me to agree with what the honourable member has said if I am not certain.

Clause put and passed.

Clause 6 put and passed.

Clause 7: Section 60 amended—

Mr. TONKIN: It is a little unreasonable to return, without something in addition, the contributions made to the fund by a person with less than 10 years' service.

Mr. BRAND: I presume the Leader of the Opposition intends to draw attention to what is obviously a drafting error to which I should have referred when I replied to the debate on the second reading. It is intended, in another place, to substitute the word "one-tenth" appearing in line 10 of page 4 for the word "one-twentieth" because, quite clearly, as printed, the clause does not make sense.

Mr. TONKIN: Actually, that was not the point I wished to raise; I had overlooked that. What I am concerned about is that when we introduced the members of Parliament superannuation fund which was without any supplementation from the Treasury, we provided that if a member retired for any reason he would get back double his contributions. It is conceivable that a person might be contributing to the fund for eight or nine years during which time the fund has had the benefit of his money and has invested it, but all the contributor is to get is his own contributions without any interest. Surely that is scarcely justified.

A person joins the fund with the intention of making some provision for himself, but after nine years he only gets his money back. One can do better than that in any fund. He is entitled to far more than that. He should at least get compound interest on his money.

Mr. BRAND: I assume this is a condition which has stood the test of time. I do not know that at any point of time interest has been paid on any refund of contributions. Furthermore each contributor knows the conditions of the fund. He should be acquainted with them when he joins the scheme. It is very difficult to compare this fund with the present parliamentary superannuation fund, because there are so many differences. Again, I would like to check the queries raised by the Leader of the Opposition, but I do not think there is any proposal for interest to be paid on the amount of the refund made to any contributor.

Mr. TONKIN: There is another aspect of this matter which has a bearing on a person who is unable to complete the full period. Surely if he is obliged to retire through ill-health, the situation is entirely different from what it is when he elects to retire voluntarily to take up another position outside the service. In those circumstances special provision should be made to meet that situation. In all good faith a person joins a superannuation fund with the intention of providing for himself and his wife in their old age, but ill-health overtakes him and he is obliged to retire earlier than he expected. In those circumstances it would appear to me to be unfair to deprive him of any possible benefit because he is in a different category from that of a person who voluntarily retires to improve his position in life.

Clause put and passed.

Clauses 8 and 9 put and passed.

Part II.

Clauses 1 and 2 put and passed.

Part III.

Clauses 1 and 2 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Mr. Brand (Premier), and transmitted to the Council.

ADJOURNMENT OF THE HOUSE: SPECIAL

MR. BRAND (Greenough—Premier) [11.58 p.m.]: I move—

That the House at its rising adjourn until 2.15 p.m. tomorrow (Wednesday).

House adjourned at 11.59 p.m.

Legislative Council

Wednesday, the 22nd November, 1967

The PRESIDENT (The Hon. L. C. Diver) took the Chair at 2.30 p.m., and read prayers.

QUESTIONS (2): ON NOTICE

TAXATION

Increases and Revenue Derived since 1959

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

Will the Minister read to the House a list of increased taxes and charges of all and every kind since April, 1959, indicating in each case—

(a) the percentage increases in each case;

(b) what new taxes have commenced since April, 1959; and

(c) what revenue was or is derived on each item?

The Hon. A. F. GRIFFITH replied:

The information sought by the honourable member is not readily available and would take several weeks to collate. In view of the impending rising of Parliament it is therefore not possible to answer the question during this current session. If the honourable member still desires the information it could be supplied to him when it becomes available, or if there is any specific field of taxation in which he is interested the Acting Under-Treasurer would be available to discuss the matter and secure the relative information.

COUNTRY HOSPITALS

Bed Cost

2. The Hon. J. M. THOMSON asked the Minister for Health:

What is the cost, calculated on a per patient basis, of maintaining and administering a country hospital by—

(a) the Government; and

(b) a local hospital board?

The Hon. G. C. MacKINNON replied:

Average cost per patient per day, year ended the 30th June, 1967, for country hospitals, excluding north-west—

(a) $17.60.

(b) $17.19.

The thought has crossed my mind that these figures may be required for the purposes of comparison, and I would like to utter a note of warning that it is most difficult to arrive at a comparison between hospitals because of the different