Major works under construction include the Albany regional hospital; extensive additions to the King Edward Memorial, Narrogin, and Fremantle Hospitals; a new hospital at Osborne Park; the linear accelerator building and X-ray laboratories at Hollywood; a new high school at Melville; additions to the Bentley, Hollywood, Busselton, Collie, Northam, Katanning, Perth Modern, Albany, Applecross, Kalamunda, and Narrogin High Schools, the University Engineering School, the University Chemistry Department, the Rural and Industries Bank, offices and work for the Government Printer, the Agricultural Department's laboratories and offices, Parliament House additions (first section) and courthouses at Katanning and Mullewa.

The programme for the current financial year provides for a large number of schoolworks, including new high schools at Swanbourne and Embleton, and additions to the Belmont, Applecross, Bunbury, Mt. Lawley, Scarborough, Geraldton, and Albany High Schools. Hospital works include new nurses' quarters at the Royal Perth Hospital; further additions to the Fremantle Hospital; and additions to the Perth Dental, Swan, Carnarvon, Port Hedland, and many country hospitals. Other works to be commenced include the University Physics Department, first section of the new police headquarters at East Perth, the new Government Stores, and a native hostel at Onslow.

A large programme of maintenance works was carried out during the past year; and a further large programme, to cover requirements for this year, has been implemented.

Progress reported, and leave granted to sit again.

House adjourned at 11.10 p.m.

Legislative Council

Wednesday, the 9th November, 1960

CONTENTS

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

QUESTIONS ON NOTICE

1 to 3. *These questions were postponed.*

ALBANY HARBOUR

Erection of Transit Shed

4. The Hon. J. M. THOMSON asked the Minister for Mines:

With reference to the estimated expenditure on the Albany Harbour for the current financial year, will the Minister advise—

(a) whether it is intended to have the transit shed completed and handed over for use before the 30th June, 1961;

(b) if so, when is it anticipated the work will be completed?

The Hon. A. F. GRIFFITH replied:

(a) No.

(b) Answered by (a).

BUILDERS' REGISTRATION ACT

Inquiry by Select Committee

THE HON. N. E. BAXTER (Central) [4.36]: I move—

That a Select Committee be appointed to inquire into and report upon the Builders' Registration Act, 1939-1959, its application and effect on building and to make such recommendations as are considered necessary.

My reason for moving this motion is that I believe that since this legislation was enacted, buildings, particularly houses, have not improved. In drawing attention to this point, I refer particularly to the growth of several companies in this State

which build homes under a multiple system and sell them to prospective buyers on low deposits and easy terms. However, it has been found that the homes built by these firms have been constructed of timber of poor quality, and that the standard of the workmanship, has, to a certain degree, deteriorated over the years.

With large city buildings, of course, I believe the contracts for the construction of these undertakings are always left to builders who are thoroughly competent and have a good reputation in this field of building construction. Today, the legislation has developed into a set-up whereby the Builders' Registration Board registers both "A"-class and "B"-class builders in order to segregate the builders into those two categories.

No matter under what local authority building by-laws a house is built each house is subject to inspection by a building inspector who is an officer of the local authority concerned. Not only is the house inspected by this officer but where a loan is required by the prospective home-owner, whether it be from the State Housing Commission, a life assurance company, or any other financial company or organisation, great care is taken by these bodies to ensure that the plans and specifications submitted with the application for a loan are strictly adhered to during the time the house is being constructed.

Therefore, one of the reasons why I have moved for the appointment of a Select Committee is that I consider an inquiry should be made to ascertain whether we should continue with this legislation. For example, should it be found by a building inspector that the foundations of a house have not been laid according to the specifications, they are immediately condemned by him and they have to be replaced with foundations that meet with the requirements of the building by-laws. I can illustrate a case in point where a foundation of rock and concrete was laid, and when the applicant applied for a loan from the State Housing Commission, he was informed that he would have to replace portion of the foundation with studs that were properly ant-capped. Another reason why this foundation was condemned was that the building inspector of the State Housing Commission pointed out that a foundation of concrete and stone left air pockets and, after a period, this would result in the foundation sinking.

The Hon. A. F. Griffith: If you care to give me the name of this man privately I will have some investigations made.

The Hon. N. E. BAXTER: Very well; I will be pleased to do so. The person who earns his living as a builder would have to be an "A"-class or a "B"-class registered builder. He must be a good builder, otherwise he would not be successful in obtaining building contracts. Most people who are thinking of building homes, first of all inspect the work of the prospective contract builder to ascertain his standard of workmanship. If such people do not know anything about building construction, invariably they ask someone who does know, to make the inspection. I cannot see any virtue in the registration of builders who are competent.

There is no need for registration in respect of buildings outside the metropolitan area as defined by the Metropolitan Water Supply, Sewerage and Drainage Department. It makes one think that the compulsory registration of builders within the metropolitan area is designed to make that centre a sphere of activity for a selected few. This is the only State which has passed legislation for the registration of builders. I am sure that if the other States of Australia saw virtue in the registration of builders, they would have followed suit.

The Builders' Registration Act has been on the statute book of this State since 1939, but no other State has followed our lead. I have not heard of any complaints regarding the standard of buildings in Adelaide, Melbourne, Sydney, or Brisbane. If there are complaints, they must be few and we do not hear about them.

There is another aspect to the registration of builders. Under the regulations made by the Builders' Registration Board, a builder from another State may be granted temporary registration in Western Australia, provided he can satisfy the board that he is eligible to be registered. No examination has to be undertaken by the visiting builder, as is required of the "A" and "B"-class builders in this State. I maintain that a visiting builder from Melbourne or Sydney could be a jerry-builder. It is impossible for the board to examine the practical work of such a builder; the board would have no guide to the capability of that person. I do not see why this State should bother about the registration of builders, when visiting builders from other States may be registered temporarily without having to undergo an examination.

Section 12 of the Builders' Registration Act empowers the board to prescribe the course of training, and the examinations. Section 24 empowers the board to make regulations in relation to the examination, training, and study of prospective builders. Regulations 9 and 10 made by the board were published in the *Government Gazette* of the 26th April, 1940, on page 623. They prescribe that examinations, training, and study shall be such as may from time to time be declared and published by the board. If it did not suit the board, it could alter the regulations, or make any new regulations it thought fit with a view

to excluding someone from registration. In saying this, I may be citing an extreme case, but these things do occur.

Looking through some of the prescribed courses of training, examinations, and study, it seems that the prospective builder has a full-time job in undertaking such study, training, and examination. In one case, I was told that when a candidate was examined by the board, the main accent in the examination was placed on costing and quantities. I am acquainted with some of the bigger builders who operate in this State, and I am sure they do not personally perform the costing work although they may assist. They employ clerks to do the major portion of this work. The small builder who cannot afford to employ a costing clerk has to undergo an examination in costing, and prove that he is able to do this work before he can be registered.

It appears that little consideration is given to the practical side of building, and that accent is placed on the theoretical side; particularly when we consider that under the Act automatic registration is granted to a member of the Royal Institute of Architects (W.A. Chapter); a person registered under the Architects Act, 1921; a member of the Institute of Engineers of Australia (Perth Division); and a member of the Australian Institute of Mining and Metallurgy. These persons may be registered without having to undergo examination. Upon payment of the prescribed fee they may be registered.

They can then employ anyone to carry out the construction of buildings. I cannot find any provision in the Act stating that these persons shall personally supervise the construction of buildings. They are entitled to employ anyone to carry out building operations—even one who has no practical knowledge of building, or who is not an "A"-class or a "B"-class builder. Such a state of affairs is completely farcical.

To a large extent I am a practical man. It cannot be assumed that every person who is trained in theory is able to apply that theory to practice. That does not work out. In many instances the practical builder can construct excellent types of buildings. I know many buildings in this city that have been constructed by practical builders. These buildings are excellent in construction; they are second to none. Under the Act these practical builders have to undergo study and examinations to obtain registration—examinations which would frighten even a university student.

Let me refer to the type of examination which is set. One paper relates to bookkeeping and costing. This exam paper states.—

> All questions to be attempted.

Details of assets and liabilities are set out. Then follows a list of transactions for the month. The candidate has to enter the transactions into the proper books, post to the ledger, compile a trial balance, and close the accounts to a profit and loss account and balance sheet. Forty marks are given for that question.

Another question in this examination paper is—

> Describe a system of cost accounts suitable for a builder and contractor detailing the nature and the use of the books you would recommend and showing how the cost accounts may be co-ordinated with the commercial accounts. (20 marks).

A further question is as follows:—

> What are the principal reasons for cost accounts? State the principal items of cost and distinguish between direct and indirect expenses. (20 marks).

These are not questions for prospective registered builders, but questions for accountancy candidates. To expect an ordinary builder, who may have started off in life as a building-trade apprentice after leaving school at the age of 14 or 15 years, to pass an examination such as that—relating to bookkeeping and costing—is beyond the limit of all reasoning.

The Hon. G. C. MacKinnon: Not so many would go broke if they did.

The Hon. N. E. BAXTER: The honourable member may be right to some degree, but this is not a case of going broke, but of registering people. There is nothing in the Act which states that the legislation was introduced to prevent people going broke.

The Hon. G. C. MacKinnon: We endeavour to protect them if we can.

The Hon. N. E. BAXTER: We should register everyone, on that basis, in case they go broke. If that is the theory, why not register every shopkeeper and every farmer? Indeed, why not make politicians go through such an examination in case they go broke, too? That, of course, is just impossible.

This is only a small point, but by missing out on it the board has been carried away with itself to a certain degree and has not complied with the provisions laid down in subsections (3) and (4) of section 8 of the Act. It has placed great emphasis on examination and training, etc., which are superfluous.

This Act was proclaimed on the 1st of May, 1940, and under subsection (3) of section 8, a copy of the register should have been published in the *Government Gazette* in January, 1942. However, this was not done until the 2nd of June, 1944. Since then, in spite of the provision laid down in the Act that the board shall publish in the *Government Gazette* additions and deletions, etc., not one item has been published in the *Government Gazette*.

I maintain that the board seems to have set itself up as an autonomous authority conducting a register for several classes of builders, and the whole set-up cuts across the private enterprise policy of the present Government. Unless builders are registered they cannot operate in the metropolitan area. If that is not cutting across the Government's policy of free enterprise, I do not know what is.

As I said before, the Act is precluding some good builders from working to their full capacity. If a builder is working on several jobs, he has little or no time in which to study to be registered as an "A"-class or a "B"-class builder, and for that reason he is excluded. Despite this, a lot of the builders who were originally registered never had to go through an examination. Any builder operating for two years prior to the introduction of the Act was entitled to be registered without an examination.

We find from the information published in the *Government Gazette* in 1944 that in the year 1940 there were 303 builders registered; in 1941, a further 129; in 1942, five; in 1943, six; and in 1944, only two. Therefore once the examination system was introduced, the numbers dwindled right down to two in 1944, whilst at the same time there were 62 builders in the services who were automatically registered under the Act.

Last year the Minister for Works stated that whereas there had been 1,600 "B"-class builders registered, the number had dropped to 400. This indicates that despite the registration, the numbers would have dropped to a reasonable figure and the situation would have sorted itself out. People who came in as registered builders to do little jobs because builders were in short supply, found that they were not capable of doing the work and therefore gave the game away. That is a reason an inquiry should be held by a Select Committee into this particular legislation to see whether it should be continued or whether it should be modified to a certain extent. I do not think that it has helped our building trade in any way and the restrictions have not been in the best interests of the community.

THE HON. R. C. MATTISKE (Metropolitan) [4.57]: I am going to oppose this motion. With all due respect to Mr. Baxter, I feel he has conducted very little research into this matter; or, on the other hand, if he has conducted research into it, he has been very ill informed.

At the outset he said there was no necessity for a builders' registration board in this State; that other States had managed without one; and why should we be saddled with one here? In reply to that, I can only say that in the Eastern States a terrific amount of trouble has been experienced in post-war years. People have been exploited by fly-by-nights during the periods of housing shortages. People have been fleeced of their money and have had no redress at all, other than through the courts of law, to recover money which had been illegally taken from them. There has been no redress at all against builders in the Eastern States whose workmanship has been faulty.

Through my close association with the building industry in this State, I have been asked to go to New South Wales and Victoria to meet different persons directly connected with the building industry. Many years ago I made a personal approach to the then Premier of New South Wales to explain the operation of the builders' registration legislation in this State; and recently I have been contacted a great deal by an organisation in Victoria which is negotiating with the Government with a view to having similar legislation introduced there. The Builders' Registration Board here has been the means of keeping the building industry clean during the postwar period.

The Hon. R. F. Hutchison: That's a joke!

The Hon. R. C. MATTISKE: No-one can deny it at all. I know Mrs. Hutchison has a personal axe to grind because of a certain relative whose name has previously been mentioned in debate. That is another story entirely and I will not enter into it now.

The Hon. H. C. Strickland: You object to that sort of statement when it applies to you, you know!

Point of Order

The Hon. R. F. HUTCHISON: May I object to the aspersions which Mr. Mattiske has cast upon me? I am quite honourable about this matter. I am not in this Chamber to further the interests of one particular person; and in this case I am taking the industry as a whole.

The PRESIDENT: Does the honourable member desire a withdrawal of the statement?

The Hon. R. F. HUTCHISON: Yes.

The Hon. R. C. MATTISKE: If the honourable member feels that a factual statement is a personal reflection on her, then I certainly withdraw the statement.

Debate Resumed

The Hon. R. C. MATTISKE: Getting back to the necessity for the Builders' Registration Board in this State, I point out that the board has been the means of keeping the building industry together here. Any person who has been aggrieved over the quality of workmanship has been able to go to the board and have the work inspected by an independent inspector appointed by the board; and if, in the inspector's opinion, workmanship is lacking, then the builder concerned is called upon to make good the lack, or else he loses his license.

There are many such cases that have occurred in the post-war period, and I am sure that when the Minister speaks to the motion he will be able to cite an astounding number of cases that have been looked into by the board, and in respect to which remedies have been effected. I venture to say that had it not been for the operations of the board there would have been many more complaints and that many of the injured parties would have received no redress.

When Mr. Baxter was introducing his motion, he spoke on the course of study and the type of examination set by the board. He felt that a person would need to be a full-time student in order to pass the examination. That is not the case at all. The curriculum may look rather formidable to anyone not connected with the building industry, but when one examines it one finds it is composed of the everyday matters with which a builder normally deals. Certain terms may be foreign to a university student, as mentioned by Mr. Baxter, and they may be unusual to us, but not to those engaged in the industry, because those terms are everyday terms to them, and they know what they mean.

There is a set course of instruction laid down by the Builders' Registration Board, and there are tutors at the technical college who conduct classes at night time; and it is open, for a very small fee, for any person to do that course of study and then, at the end of the year, to submit himself for examination.

In the past there have been many complaints to the effect that the examinations have been restrictive; that the course of study and the type of examination have been such as to make the whole matter of registration restrictive. But that is not the case. I have seen many of these examination papers, and, without professing to be a builder, I could pass the theoretical portion of most of them; and yet I have had no practical experience in the building industry at all. Admittedly I may have had certain contact with builders and others which may have given me a certain familiarity with various building terms, etc., but the fact remains that the course of study covers everything that is asked in the examination. It deals only with those items with which a builder comes in contact in his everyday course of work; and the examination itself is by no means restrictive.

Wherever there is a doubt as to whether a person should be passed or failed in an examination—where a candidate is on the borderline—the complete results of his examination are taken into account; and the board even goes to the extent of finding out whether he has paid attention to the instruction given in the classes during the year, so that if he has been enthusiastic and has made an honest attempt to acquire the necessary knowledge, the board does, whenever it is possible, give him a pass.

There are certain members of the building industry who are not university students and who have not the ability to express themselves on paper. Unfortunately we will always have such people. There is a point in this regard where Mr. Baxter could have something. I feel and I mentioned recently, when speaking to the Builders' Registration Act Amendment Bill, that these persons should be given further consideration. If a man is legitimately practising as a "B"-class builder, and he cannot satisfy the examiners on the theoretical side of the examination, I consider there is every justification for the board to inspect the work he has actually done for clients in the previous year or two, and to discuss with those clients whether they are satisfied with the man's workmanship; and then if the board feels that the particular individual is a competent builder, but is unable to express himself on paper, I consider the board would have definite justification for advancing him from "B"-class to "A"-class registration.

The bookkeeping examination is an examination in regard to just the everyday elementary bookkeeping which one learns at a technical school in the first two or three months of a bookkeeping course. If one is given a list of balances, it is a simple matter—if one has had a few months' training—to prepare from the list a trial balance, etc. There is nothing to it at all. Similarly the costing requirements are only ordinary everyday subjects that a builder must know in order to cost out jobs. If he does not know what is set out there, he cannot conduct his own business.

I think it is commendable that these two subjects should be taught to builders; and I consider they should be made to sit for the examinations in their own interests. If a person has not got an understanding of the elements of bookkeeping and costing, he will, as a builder, go broke in five minutes; and when he goes broke, others will suffer. Those employed by him will be thrown out of work at a moment's notice, and those for whom he has built will also suffer financially. It is a good thing that builders should have some knowledge of these subjects.

The reasoning behind the matter of the exemption for architects and engineers is simply that an architect or engineer, in order to qualify in his profession, must pass examinations that are far more stringent than those required by the Builders' Registration Board. If the examinations necessary for one to qualify as an architect are so much more stringent than the builders' examinations, it is ludicrous to ask the architect to sit for the Builders' Registration Board examinations.

This principle applies in other walks of life. If one is a qualified accountant, for instance, one's qualifications are accepted by the Crown Law Department in registering one as a liquidator of companies or an auditor of companies. It is not necessary for a person to sit for further examinations to satisfy the Registrar of Companies that he is, in fact, a qualified accountant. The registrar accepts the accountant's qualifications as sufficient evidence of his ability. In the same way in this case, if a person is a qualified architect or engineer, it is expected that he has sufficient knowledge to enable him to conduct himself properly in accordance with the terms of the Builders' Registration Act.

So far as precluding some builders is concerned, there is no precluding of builders at all. If any person who does the course of instruction—he does not even need to do the course of instruction—sits for the examinations at the end of the year and passes them, he is automatically registered. As I said earlier, there are some who may not have the ability to pass these examinations, but there are many who do not want to pass examinations; many are too lazy to go along and do the course of instruction at night time in order to acquire the necessary knowledge. I do not think we can have any sympathy for them at all.

The Hon. N. E. Baxter: Did you say "too lazy" or "too busy"?

The Hon. R. C. MATTISKE: Maybe they are too busy, or maybe they are too lazy. The fact remains, however, that if they want to become builders it is up to them entirely to find either the time or the energy in order to acquire the necessary knowledge to pass the examinations.

The figures quoted by Mr. Baxter for the 1940-45 period, indicating that certain builders were precluded, are not worth twopence, because they were the war years during which the whole of the building industry was dormant. In South Australia, Sir Thomas Playford carried on the building industry during that period. He said he considered it essential that the building industry should continue, otherwise there would be an accumulation in regard to housing and other necessary building at the end of the war, and that confusion would result.

In Western Australia, and certain other States, it was considered that the defence of the country was the primary requirement, with the result that in this State, in particular, persons in key positions in the different industries associated with the building industry and in the building industry itself, went into the defence forces. There were key men in the sawmills, in the brickyards, the tile works, and other concerns in Western Australia, and those men were allowed to go into the defence forces with the result that the whole of the building industry came virtually to a standstill during that period. As a result, the people who were interested in becoming builders were very few in number. Do not let us cloud the issue by looking at matters in their wrong perspective.

Immediately the war was over, there was an urgent necessity to get these men, who were the key personnel of the industry, out of the armed forces and back into the building industry; and I was directly associated with that work. Fortunately the defence forces released most of these people as quickly as possible in order to enable the building industry to revert from dormancy, practically, to its proper position in order that it could get into gear in the immediate post-war period.

Mr. Baxter said that at one stage there were 1,600-odd registered "B"-class builders and that shortly afterwards there were only 400. That might indicate that there was a squeezing out of a lot of people; but let us look at what happened; let us cast our minds back to the time when Mr. Tonkin, without reference to the building industry, admitted conditionally registered builders. He permitted anyone at all to be registered as a conditionally registered builder so long as the fee was paid. No examination or anything else was required.

Many people availed themselves of that opportunity in order to get discounts when building their own homes. There were many self-help builders at that time, because people could not get builders to build homes for them, and so they undertook the task themselves; and I think it was to their credit that they did; and it was also a great benefit to this State because as a result there was introduced a very good supply of invisible labour. I say "invisible labour" in the sense that these people were not tradesmen, but somehow or other they built their own houses; and I say: Jolly good luck to them!

They were, however, able to register as conditionally registered builders, and having become registered, they could then go to the various merchants and ask for the discounts of 2½ per cent. or 5 per cent. which are normally given to builders. That is why a great number of people registered at that time. Again, others who felt that if they became registered as conditionally registered builders it might be useful to them in the future, were attracted to becoming conditionally registered. In addition there were a number of others who, for various reasons, became registered in that way.

Subsequently there was an amendment of the Builders' Registration Act under which conditionally registered builders were changed in title to "B"-class builders; and a restriction was placed on the amount of work they could do, and on the method of admitting them. As a result, and because of subsequent amendments to the

Act, it is now necessary for a person to qualify by examination even as a "B"-class builder. The examination covers some of the subjects necessary for the registration of a full "A"-class builder.

In order for a man to advance from a "B"-class builder to an "A"-class builder, he only has to pass the remaining subjects required for the "A"-class registration. At one stage of this peak period, there were —to use Mr. Baxter's own figures—1,600 "B"-class builders registered. That included a number of the people to whom I have referred, and who, after a year or so of registration, realised there was nothing for them in this. They were paying fees unnecessarily year by year, and they voluntarily gave away their registration.

Subsequently there were also restrictions placed by Parliament on a person requiring him to perform a certain amount of work each year; and he had to show he was legitimately engaged as a "B"-class builder. If he could not satisfy that requirement he was automatically deregistered. As a result of all these things the number did drop very sharply, and we now have as registered "B"-class builders, the solid core of those who are genuinely operating as "B"-class builders. The sifting out process has been completed, and those who are now registered are legitimately engaged in the industry.

In the case of "A"-class registration, there are a number who are not legitimately engaged in the industry in their own right in the sense that they may be working for others. They may have qualified as "A"-class builders, but they either have not the financial backing, or the desire—and they may lack something else—necessary to enable them to start in their own right, and they prefer to work for someone else.

But having passed the examination they wish to retain their "A"-class registration. They feel they would rather pay their nominal subscription, year by year, even though they are working for someone else. There are others who have been "A"-class builders, and who have now retired from the building industry. From the angle of prestige they feel they would not mind paying the £5 5s. a year to retain their registration as "A"-class builders. If they desired, however, there is no necessity for them to pay anything at all, because they could merely write into the Builders' Registration Board and say they were not operating, and they would like their names to be placed on the suspended list. That is done automatically.

In the event of their resuming building in five, 10 or 15 years' time, they would apply for their registration to be renewed, and it would be done automatically on payment of the current year's fee only. Many people do not wish to avail themselves of that facility. The matter is brought to their attention, but, for reasons best known to themselves, they do not take advantage of it.

Accordingly there will be a lot of builders who are registered, but who are not practising at the present time; and there will be a lot of others who wish to be registered, but who may either be too lazy or too lacking in initiative to procure the necessary qualifications.

All in all I feel the Builders' Registration Board is doing a terrific job in this State. Let me make it abundantly clear, as I have said earlier, that although I have been closely associated with the building industry, I have no connection whatever with the Builders' Registration Board; and I have no connection now with the Builders' Guild, which is entitled to representation on that board.

Accordingly I have no direct, or indirect association with the board at all. But from my knowledge of the industry I feel it would be a retrograde step to eliminate the Builders' Registration Board. There is nothing of outstanding importance at the moment which would warrant the appointment of a Select Committee to inquire into the ramifications of that board. I therefore oppose the motion.

THE HON. H. C. STRICKLAND (North) [5.20]: I was most interested in the remarks of the honourable member who has just resumed his seat. I think he has lost sight of the fact that there is no Bill before the House to amend the Builders' Registration Act. We are merely considering a motion for an inquiry into the operations of that Act. Judging from some of the remarks we have heard in connection with the Act, I am convinced that an inquiry is well justified.

It could be said truthfully, and without fear of its being refuted, that the metropolitan area of Perth enjoys or is burdened with the privilege of being the only area in the world that comes within the purview of such an Act. The metropolitan area of Perth is the only known area in the world where such an Act operates. The objections that have been brought to me personally in connection with the Act over many years—certainly over the past 10 or 12 years—convince me that an inquiry would certainly do no harm whatever. It could do a lot of good.

For that reason I propose to support the motion moved by Mr. Baxter; and I hope the majority of members of this House will also support the motion. All that is sought is an inquiry. After the amending legislation was before the House last year, and after the arguments adduced in connection with that legislation, surely a lot of members, including myself, finished up most confused in connection with the purpose of the Act.

We know for a positive fact—I had proof and evidence here—that a man whose work nobody could doubt as being

of the highest quality, was refused registration because he could not verbally answer the question which was asked in a very cursory manner: What represented a rod of brickwork. I asked a registered "A"-class builder whether he knew the answer; and he confessed he did not. He said he would look it up and let me know. But, of course, it was possible for me to look the matter up, and I consulted the dictionary upstairs and found it represented so many cubic feet of brickwork in a wall. That is the sort of thing that happens. A man was failed because of that. The man in question builds churches and institutions all over the State, and his workmanship cannot be doubted.

A member in this House asked that the file in connection with unregistered builders be laid upon the Table of the House, and that is how I discovered the evidence as to why he was failed. He was failed because he could not answer at an interview the question to which I have referred. He was failed by the Registrar of the Builders' Registration Board.

The Hon. R. C. Mattiske: Obviously you did not read all the points.

The Hon. H. C. STRICKLAND: I did; and I hope the honourable member will ask for the file to be tabled again, so that all members may have the opportunity to consult it. Mr. Mattiske now tells us he could pass the examination; but last year's *Hansard* shows that he said he would have to brush up before being able to pass it.

The Hon. R. C. Mattiske: That is all right.

The Hon. H. C. STRICKLAND: Surely he will not have us believe that things are as simple as all that. If things are so fair, clean, and above board, why does the honourable member oppose the inquiry? There is nothing like airing something that is clean. Let us hang it out for everybody to see. There are some points in connection with Mr. Mattiske's remarks which I propose to criticise. The honourable member said that following the war years Mr. Tonkin admitted provisional builders.

The Hon. R. C. Mattiske: Who was the Minister at the time?

The Hon. H. C. STRICKLAND: It was Parliament that admitted them; the Act was amended.

The Hon. R. C. Mattiske: Just a red herring; Mr. Tonkin was the responsible Minister.

The Hon. H. C. STRICKLAND: Mr. Graham, the Minister for Housing, was the Minister responsible. Mr. Tonkin as Minister for Works, was in charge of the Bill, But it was Parliament that approved the admission of provisional builders, and the honourable member knows it very well. The reason for this was to alleviate the housing position. Members will recall that in 1953 people who were evicted from their rooms, and so on, were having to sleep on footpaths. It was a disgraceful state of affairs.

After the general election in 1953, the Labor Party promised it would house these people quickly by admitting the provisional builder. Did the inspectors of the Builders' Registration Board go around and police every one of these buildings? If they did, what has happened about it? How many did they condemn? I do not recall reading any case of these places being condemned. But I did read that the Housing Commission's own inspectors inspected their own work; and they still do. If a building is not up to the specifications of the contract it must, if necessary, be pulled down and rebuilt; otherwise the Housing Commission will not make payment. The honourable member knows that to be a fact.

The Hon. R. C. Mattiske: Who is denying that?

The Hon. H. C. STRICKLAND: I cannot for the life of me agree with the assertion that the Builders' Registration Board protects the quality of buildings in this State. I think this board has two inspectors; and it is difficult to imagine how they could go around and cover every building operation. Apart from that, there is sufficient provision in the Health Act and in the local authorities legislation; and anybody who is building—apart from Government contracts—on his own account, is very foolish indeed if he does not engage an architect to watch his interests.

The PRESIDENT: Order! One hour having elapsed after the time fixed for the meeting of the House, under Standing Order No. 114, leave of the House will be necessary to enable the present debate to continue and another motion on the notice paper to be dealt with.

[*Resolved: That motions be continued.*]

The Hon. H. C. STRICKLAND: It is difficult to believe the assertion made by Mr. Mattiske that the quality of building in the Eastern States was shocking during the war years, and that people were being fleeced there, whereas in Western Australia the Builders' Registration Act kept the industry clean. The Builders' Registration Act had no jurisdiction outside the metropolitan area; and the board could not, if it tried, police the metropolitan area.

The Hon. R. C. Mattiske: We are talking about the area involved by the Act.

The Hon. H. C. STRICKLAND: It certainly could not have policed the metropolitan area with two inspectors. However, I think that would clean that lot up.

The Hon. R. C. Mattiske: It doesn't clean it up; the inspectors only deal with complaints.

The Hon. H. C. STRICKLAND: I am surprised that the honourable member did not tell us that this Act provides that

builders from the Eastern States can come to Western Australia, can secure a contract before they come here, and can apply to the board for registration and get it.

The Hon. R. C. Mattiske: That is right.

The Hon. H. C. STRICKLAND: It did not matter how good a builder in Western Australia was, the Act prohibited the board from granting him registration. However, that is a matter for the inquiry. Mr. Mattiske told us that the housing programme in Western Australia was restricted because of the war—and probably because of the Builders' Registration Act, because under that Act only registered builders could build in the metropolitan area—but on the other hand he quoted Sir Thomas Playford's continuous programme throughout the war years.

South Australia was blessed with an influx of heavy industries—big industries connected with transport and defence. The only munitions factory that Western Australia got was at Welshpool. That is the only one I know of; and the Midland Junction Workshops were turned into a remarkably efficient munitions works. So South Australia was fortunate in that it was able to reap the fruits of expansion from the unfortunate causes of international hostilities, whereas in Western Australia there was a "Moora line." It did not matter what happened to Western Australia; we were left out in the cold.

Mr. Mattiske said that the Builders' Registration Act includes amongst "A"-class builders, persons who have no desire to build on their own account, or who perhaps have insufficient capital with which to build, but who work for others. Of course they do. They hold a permit for any number of other builders around the town. The Act provides that the name of the registered builder must be displayed on the block on which the building is to be erected; and there are many "A"-class builders who could not tell one what a rod of bricks was. They certainly do not operate; they simply trade on their registration. They would have as much hope of passing an examination as I would, because they were brought in during the dragnet period when the Act first came into operation some 25 or 30 years ago—about 1942 I think.

They were brought in providing they were acting as foremen or were supervising a job of work—whether it was the building of a mine mill for the Western Mining Company somewhere in the bush or something else—or whether they were working on the building of, say, the Criterion Hotel. If they were supervising a job or acting as foremen and they applied for registration, they had to be registered—and many are still registered. I take it they would be the type of persons holding "A"-class licenses. They do not do any work and they could probably not erect a building in any case. They are acting on behalf of firms that do build.

The "B"-class group comprises builders who have work to show because they are working on the job. However, they were prohibited from erecting a building in excess of £5,000 in value; and this amount included all materials and the value of the land. I think last year the amount was increased to £7,000. These people can show their work—it can be looked at—but does the Builders' Registration Board say these builders can be raised to "A"-class? Of course not.

The board says these people must pass an examination—an examination which must be severe and must be hard to pass because when I, as Minister, suggested that the "B"-class builder, whose work was his recommendation, should be lifted to "A"-class, the board replied that it would be very unfair to those who had studied for years and who had gone to the trouble to pass examinations. The board says, "That is unfair. Why should we register that man, despite his good workmanship, when this other fellow has passed a theoretical examination which required years of study before he could pass it; and he also had to serve some years of apprenticeship to a builder?" However, Mr. Mattiske says the examination is quite easy to pass.

The Hon. R. C. Mattiske: When did I say that?

The Hon. H. C. STRICKLAND: When the honourable member spoke to the motion.

The Hon. R. C. Mattiske: You were not listening when I suggested a system of practical examinations for these people.

The Hon. H. C. STRICKLAND: I listened last year, but the only way to get anything practical is to amend the Act. It is no good talking: We want action. The honourable member opposed a Bill to amend the Act last year. He even opposed the lifting of the £5,000 to £7,000, yet he was a paid servant of the members whom he was holding down. He was Secretary of the Builders' Guild, to which some belong. We cannot take much notice of what we are told here in relation to an attempt to defeat a motion.

Point of Order

The Hon. R. C. MATTISKE: In those last few words I think the honourable member is trying to imply that I deliberately attempted to mislead the House with statements that I made either last year or today. I ask for those words to be withdrawn as that was not the case.

The PRESIDENT: Mr. Mattiske has requested that the honourable member withdraw those words.

The Hon. H. C. STRICKLAND: If Mr. Mattiske will quote the objectionable words, I will withdraw them.

The Hon. R. C. MATTISKE: In order to quote those words I must ask for *Hansard* to be produced. This will enable me to quote the exact words used by Mr. Strickland a few moments ago.

The PRESIDENT: I shall leave the Chair until the ringing of the bells.

Sitting suspended from 5.40 to 5.52 p.m.

The Hon. R. C. MATTISKE: The words to which I object are these: "We cannot take much notice of what we are told here in relation to an attempt to defeat a motion." As I pointed out, the implication is that I was attempting to mislead the House.

The Hon. H. C. STRICKLAND: If the honourable member objects to those words, I shall withdraw them. But I do not see anything objectionable in them. I have often been told more than that and have not raised any objection. The honourable member is a little bit touchy, apparently.

Debate Resumed

The Hon. H. C. STRICKLAND: In supporting Mr. Baxter, I feel that nothing but good could come from such an inquiry. It will enable those who are registered with the Builders' Registration Board to air their views. They do not have an opportunity to air their views thoroughly except through an organisation to which they may belong; and I do not think they have a unified organisation of any kind.

On the other hand, there are builders who can build in any town in the State, but who cannot build within the metropolitan area. These builders will also be given an opportunity to present their side of the case to the Select Committee. For those reasons, principally, I support the motion.

THE HON. R. THOMPSON (West) [5.55]: I think Mr. Mattiske was assuming that this motion was to defeat the present Builders' Registration Act. Nothing is further from the truth. I think much could be achieved, and many of the things that go on in the building trade could be brought to light; and the findings would tend to improve the Builders' Registration Act rather than defeat it.

The point I am concerned with—and the Minister for Housing knows of this case, because he himself, when a private member, had trouble with this particular person—is this: We have found that since, in the past few years, the Commonwealth Government has allocated certain funds to private building societies, many terminating building societies have sprung up in Perth. They are financiers for homebuilding; and they also own building construction firms, and each firm has a registered builder acting as a front for it. We find also that there are building construction firms which front for other builders. These builders have a registered builder fronting for them. This reminds me of the illegal betting days when persons were being fined every week as fronts for S.P. bookies. The people I am talking about are fronting in the same maner as those who were taking the place of the bookmakers.

I am in the course of preparing plans to construct a new home. The builder who is going to build that home is not a registered builder. He is a new Australian, who passed all of his trade tests in his home country. Since coming to this country he has done many thousands of pounds worth of work outside the metropolitan area. At the present time he has not got a sufficient grasp of the English language to enable him to pass his examination, but he has a builder fronting for him.

I say this is all wrong. The War Service Homes Division inspected this man's work, and he passed that inspection with flying colours. He has the reputation of being able to construct some of the best finished houses. The War Service Homes Division costing clerks commended the plans in that he had indicated room measurements down to a fraction of an inch, which is something very seldom seen on the plans of registered builders.

I think much could be achieved by this Select Committee, and much good could come from it. I think this House should agree to such a committee, since we would then have something composite and something which would be of benefit to everybody.

On motion by The Hon. A. L. Loton, debate adjourned.

TOTALISATOR AGENCY BOARD BETTING BILL

Recommittal

On motion by The Hon. A. F. Griffith (Minister for Mines), Bill recommitted for the further consideration of clause 47.

In Committee.

The Chairman of Committees (The Hon. W. R. Hall) in the Chair; The Hon. A. F. Griffith (Minister for Mines) in charge of the Bill.

Clause 47—Loitering in Street:

The Hon. A. F. GRIFFITH: When we last dealt with this Bill I gave an undertaking that I would seek the opportunity of conferring with Mr. Jones and Mr. Loton in the hope that we might be able to submit to the Committee something which would be more acceptable than the clause as it stands in the Bill. I think we have been able to arrive at a conclusion which will satisfy members. It satisfies the two members I mentioned; and we had a consultation with the Minister who will administer the legislation. It is

proposed that the clause as it stands, with the exception of the penalty which will be the same, be struck out and the following substituted:—

> If any member of the Police Force of the State has reasonable grounds for suspecting that any person is standing or loitering in any street or public place for the purpose of or with the intention of betting contrary to this Act, the person shall not refuse or neglect to move on when requested by that member of the Police Force so to do whether such standing or loitering causes or tends to cause any obstruction to traffic or not in any street or public place.

It will be seen that emphasis is placed on the person who is in the street or way and who is suspected of being there for an unlawful purpose. I think it is much clearer than the clause as it stands, and I move an amendment—

> Page 28, lines 28 to 34—Delete all words from and including the word "No" down to and including the word "loiter" and substitute the following words:—
>
> > If any member of the Police Force of the State has reasonable grounds for suspecting that any person is standing or loitering in any street or public place for the purpose of or with the intention of betting contrary to this Act, the person shall not refuse or neglect to move on when requested by that member of the Police Force so to do whether such standing or loitering causes or tends to cause any obstruction to traffic or not in any street or public place.

The Hon. A. R. JONES: I am quite happy with this proposal because I feel it meets the situation much better than the clause in the Bill. The objection I, and many other members in this Chamber had to the clause was that it left too much open to a member of the Police Force. I am not unmindful of the fact that policemen are responsible people, but, particularly with something like betting shops, I could visualise the occasion when a police officer could have a grudge against a person and he could take out his spite on that person. The wording proposed by the Minister will give officers of the Police Force food for thought before they ask people to move on. I commend the amendment to the Committee and I know that Mr. Loton is in agreement with it.

The Hon. F. J. S. WISE: This is a very interesting development. During the discussion on this clause in Committee, some members on the Government side, including the Minister, said that there was no intention or prospect of the powers being given to a police officer being abused. It was not until Mr. Jones spoke, very late in the discussion, and raised a point that any attention was given to the validity of the complaints of those who voted against the clause in a division—a clause which was supported by Mr. Jones during that division.

Of course this new wording meets the situation without qualification. We who opposed the clause last night laid bare its unfairness and its weaknesses; but we were chided by the Minister for daring to interpret it in that way. Therefore I think we can be pardoned for raising the point as to how strange the circumstances are. Those of us who opposed the clause knew that it needed a miracle to avoid the clause being passed; but the miracle happened, and it is a good thing it did. It is a good thing that we raised our objections in the interests of the community.

The Hon. A. F. Griffith: That is what we are here for.

The Hon. F. J. S. WISE: But for a long time our objections went unheeded. In the second reading debate this very clause was singled out, and an illustration was given of how it could be abused. But we were taken to task for daring to interpret it in that way.

Naturally I support the Minister's amendment; everyone should do so; and I know we all realise how amply the proposed words meet the situation and will cover persons loitering for a purpose which undoubtedly should be suppressed and subdued.

The Hon. A. F. GRIFFITH: I do not want to prolong this matter unnecessarily but I want to thank Mr. Wise for accepting the amendment. We had a debate upon this clause, as we did on many other clauses in the Bill, and when Mr. Jones suggested that I should postpone consideration of it I agreed. It is not the first time this has been done at the behest of some member who wanted to have another look at a question. I can understand members of the Labor Party voting against the clause as it was, because they registered their protest by doing so. As a result of the arguments submitted I am glad to say we have reached a more satisfactory conclusion; but surely it is competent for me to do what I did if I think that some good argument has been raised in regard to the matter! If it looks as though a clause will be defeated it is up to me to have another look at it.

The Hon. F. J. S. Wise: Excuses!

The Hon. A. F. GRIFFITH: No, it is the logical thing to do.

Amendment put and passed.

Clause, as amended, put and passed.

Sitting suspended from 6.15 to 7.30 p.m.

Bill again reported with a further amendment.

BETTING CONTROL ACT AMENDMENT BILL

Second Reading

Debate resumed from the 27th October.

THE HON. W. F. WILLESEE (North) [7.33]: This Bill is complementary to the one we have just been discussing. It seeks to amend the Betting Control Act by making it permanent. The Bill also proposes to make further amendments to the Act, where necessary, so that this legislation will dovetail with the Totalisator Agency Board Betting Bill when it becomes an Act. It would be a complete waste of time to reiterate the subject matter that was discussed in the Bill which was previously before us, because the remarks passed on that legislation would apply, except for a few details, to this Bill and the other complementary measures that are yet to be dealt with by this House.

The amendments in this Bill deal simply with the constitution of the Betting Control Act itself. It also seeks to amend section 5 of the Act for the purpose of enabling licensed premises bookmakers to pay their winning bets in the future according to totalisator odds in the same manner as they will be paid by the totalisator agency board, thus doing away with the scheme that now exists where the bookmaker pays out to the winning bettor according to the last-quoted price given by on-course bookmakers, and at totalisator odds for winning place bets.

If this Bill is agreed to, the constitution of the Betting Control Board will be repealed and the Act will be tidied up by various amendments set out in this Bill. The full amount of the bookmakers' turnover tax will be altered by an amendment to section 16 of the Act, and the amount so prescribed will be paid direct to the Treasury. There will be a definite division of the proceeds between the two racing bodies, which will be made by the totalisator agency board to the Turf Club and the Trotting Association.

I consider that the House has expressed a definite desire for this legislation. The principle underlying the remarks I made when speaking to the debate on the Totalisator Agency Board Betting Bill would apply similarly to this measure. I consider that the existing system would be a better one, at least financially for the Government; and without more ado I propose to vote against this Bill also.

THE HON. H. C. STRICKLAND (North) [7.37]: As explained by Mr. Willesee, this measure is complementary to the Bill we have just had under consideration. I take objection to clause 5 of the Bill which seeks to amend section 5 of the Act. However, I will further debate that point when the Bill is taken to Committee.

I intend to move an amendment for the purpose of amending section 11 of the Act. I have not had time to place my amendment on the notice paper, but 10 copies of it have been circulated among members. I hope, therefore, that those members at least have had time to study the amendment.

With those few remarks I intend to support the second reading of the Bill, because now that the Totalisator Agency Board Betting Bill—which is the principal measure—has been agreed to, it is essential that some of the provisions contained in this measure should be passed to enable the parent Act to work.

THE HON. A. F. GRIFFITH (Suburban—Minister for Mines—in reply) [7.39]: I do not think it is necessary for me at this stage to say much in reply, except to acknowledge the remarks expressed by Mr. Willesee and Mr. Strickland. The fact that they accept the Bill is because, as they have said, it is complementary to the measure we dealt with previously.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (The Hon. G. C. MacKinnon) in the Chair; The Hon. A. F. Griffith (Minister for Mines) in charge of the Bill.

Clauses 1 to 4 put and passed.

Clause 5—Section 5 amended:

The Hon. H. C. STRICKLAND: This clause seeks to alter the existing system of off-course betting. Under the present system the off-course bookmakers pay starting price and operate on the odds quoted by the officer who sets the starting price on the course for horses racing in Western Australia. On Eastern States races the prices quoted by the Press are accepted by the bookmakers and the punters. There is an exception, of course, where a bettor makes an agreement with the bookmaker, stipulating that he pay at tote odds.

The amendment in the Bill proposes to deprive the punter of the opportunity to back a horse at starting price, as quoted by the officer on the course in this State, and in accordance with the S.P. prices quoted in the Press in reagrd to horses racing in the Eastern States. One realises that it is necessary for the totalisator agency board to have some measure of protection when handling a sum of money which it is not possible for the board to invest on the racecourse before the race commences.

In my opinion, therefore, in such circumstances the totalisator agency board is entitled to protect itself in relation to that volume of money which it will, of necessity, have to hold after the expiration

of the time limit before which that money has to be sent to the totalisator on the course.

This Bill also seeks to bring the off-course bookmakers under the direct control of the board, and it will also determine what dividend they shall pay on the wagers they have laid. If members will read paragraph (b) of proposed new subsection (2a) they will understand more thoroughly the purposes of my amendment which seeks to delete this paragraph.

Paragraph (b) provides that off-course bookmakers shall pay the dividend which is determined by the totalisator agency board, where it conducts its own tote pool; that is, when it holds the bets or when it does not transmit the bets to the course. I have no objection to the board looking after its operations, but I cannot see why off-course bookmakers should be brought into line on the same basis. Surely the latter should pay the totalisator odds which are declared by the totalisator on any course in Australia.

Although the Bill does not say so, the Minister explained last night for the first time that it was the intention of the board to declare a dividend, in some cases, equal to 75 per cent. of the tote dividend declared in Melbourne or Sydney.

The Hon. H. K. Watson: That oversimplifies the position.

The Hon. H. C. STRICKLAND: I am correct in saying that, in some instances, the board does not intend to pay the full amount of the dividend declared by the Eastern States totes. The Minister referred to the case of Aquanita. The board will not pay the dividend declared in Melbourne, but only 75 per cent of it.

I understand that if the pool of bets held by the board does not enable the board to declare the local dividend equal to the tote dividend declared in Melbourne or Sydney, the board will subsidise the local dividend to make it equivalent to 75 per cent. of the Eastern States dividend. In some cases, punters who bet with the board and with off-course bookmakers will only receive 75 per cent. of the Eastern States dividend.

We expect the totalisator to deduct 15 per cent. for commission if this legislation goes through. The deduction is now 13½ per cent., and it is to be increased to 15 per cent. Why should the off-course bookmakers be given the benefit of the 15 per cent. deduction? They will not be paying this deduction of 15 per cent. into the totalisator agency board.

The Hon. H. K. Watson: That is virtually their profit.

The Hon. H. C. STRICKLAND: Of course it is; but the bookmaker's profit is the punter's loss. I am not concerned with the off-course bookmaker; I am concerned about the people who bet and keep horse racing alive. The point is that off-course bookmakers will benefit in cases where the board declares the local dividend at 75 per cent. of the dividend declared by the Eastern States tote. As the position stands, the off-course punter will be penalised sufficiently.

If the price on the course for a horse is 10 to 1, and it is reduced to 2 to 1 with heavy backing, the on-course punter has the benefit of the opening odds; whereas the off-course punter is paid the final odds, or the starting price.

The Hon. J. G. Hislop: Is there not a limit on the odds payable by off-course bookmakers?

The Hon. H. C. STRICKLAND: Yes. The limit is 33 to 1 in most instances. If a horse opens at 100 to 1 the punter on the course can take advantage of those odds, and the bookmaker on the course has to accept a bet up to £100 at the odds declared. If a horse should start at 100 to 1, the off-course bookmaker pays only 33 to 1, or the limit. So, the off-course bookmaker has a distinct advantage.

I am concerned with the punter who is unable to attend race meetings. In many parts of the outback, races are held on one or two days of the year, and the people there have to bet with the off-course bookmakers for the remainder of the year. Are they to be deprived of 25 per cent. of the dividend declared in the Eastern States? This provision will give the off-course bookmaker, who will remain in business after this legislation comes into operation, a distinct advantage. Surely the Government could not have intended that to occur!

The average off-course investment for 1960 was 19s. 8d., so the off-course punter invests in small amounts. The figures of the average bets are as follows:—

		£	s.	d.
1958	On-course enclosure	3	11	4
	Leger and country	2	2	0
	Off-course		18	10
1959	On-course enclosure	3	8	11
	Leger and country	2	5	3
	Off-course		17	11
1960	On-course enclosure	3	12	2
	Leger and country	2	6	2
	Off-course		19	8

The majority of people betting with off-course bookmakers wager in small amounts. There are the odd ones, such as trainers, who wager in large amounts when their horses are trying. They back their horses off the course in order to obtain a better price. If they were to back their horses on the course, the odds would shorten and their return would be smaller.

One trainer gave evidence before the Royal Commission that when his horses had a good chance of winning he backed them in Kalgoorlie so as to obtain a better price. Then there are the lay-off bets among off-course bookmakers, and these wagers may be in amounts of £10 and £20.

If we were to deduct these large bets from the off-course total, the average bet of 19s. 8d. would be reduced considerably. The actual average might be 7s. or 8s.

By including paragraph (b) the Government is, in effect, giving off-course bookmakers a further 25 per cent. of the money of the punters. I have no objection to off-course bookmakers paying at tote odds, instead of starting price. Since this legislation has been before Parliament I have made an examination of the tote odds as compared with the starting price. In some instances the punter would benefit if paid at tote odds; in other instances he would benefit if paid at the starting price.

I would like to hear the Minister's explanation as to what the board proposes to do when the Eastern States tote dividend is 5s. 6d. or 6s. on a 5s. investment. In those circumstances will the board declare the local dividend at 75 per cent. of the Eastern States dividend? If it does the punter will not even receive his stake of 5s.

This provision will seek to deprive the successful off-course punter of 25 per cent. of his winnings. We should remember that the humble off-course punter has to pay a tax of 10 per cent. to the Government. I consider he is being unfairly treated. We should not give the off-course bookmakers 25 per cent. of the dividend at the expense of the punter. Surely these bookmakers should pay the totalisator odds declared in the Eastern States. I move an amendment—

> Page 2, lines 27 to 35—Delete paragraph (b) of proposed new subsection (2a) of section 5.

The Hon. H. K. WATSON: Mr. Strickland appears to me to be confused. After members have listened to me, they will probably think I am confused too; and then the Minister can enlighten both of us.

The Hon. A. F. Griffith: I hope so.

The Hon. H. K. WATSON: Mr. Strickland overlooks the fact that basically all that paragraph (b) does is to declare that a bookmaker shall secure the same odds as if he had put his money on the totalisator. If a bettor is not in the metropolitan area he bets with a bookmaker on licensed premises at, say, Halls Creek or Esperance; but having put his money on he receives a dividend of precisely the same amount he would have received had he put his money on in the pool in the metropolitan area. As I understand it, that is the basic principle of the clause. That being so, I submit it is fair and equitable.

It may be that in the calculation of the dividend which is to be paid by the pool, the board will first of all strike its own dividend, or what would be its own dividend, and then will compare it with the dividend on the Eastern States tote, and if the dividend on the local pool is less than 75 per cent. of the dividend on the Eastern States tote, it will bring the local dividend up to that amount.

The Hon. H. C. Strickland: Seventy-five per cent.

The Hon. H. K. WATSON: Up to 75 per cent.

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

The Hon. H. K. WATSON: On the other hand, if the dividend on the local pool is more than 125 per cent. of the dividend of the Eastern States tote, the excess above 125 per cent. will be clipped off, the idea being, as I understand it, to provide a cushion one way or the other for the pool which will ensure a fair and reasonable price, having regard to the Western Australian opinion of the respective horses as against the Eastern States opinion of the respective horses. It seems to me that in the long run this, what shall I call it—sliding scale?

The Hon. E. M. Heenan: The to-and-from provision.

The Hon. H. K. WATSON: That is a very good expression. It could be called the to-and-from, or the put-and-take provision. Anyway it seems to me that that is simply part of the general mechanics; and the ultimate result is that over a period the local bookmaker, like the tote pool, would make a profit of about 15 per cent., which would be his total profit. The put-and-take or the to-and-from provision would cancel out over the period and he, like the tote pool, would finish up with a profit of 15 per cent.; that is, assuming the money he held was *pro rata* with the tote, he could still have a skinner. I would say that this is all part and parcel of occupational hazards; but that does not in any way alter the fact that the principle enunciated here is a fair and equitable one.

The Hon. A. F. GRIFFITH: I am most grateful to Mr. Watson because he has explained very suitably the situation as I understand it. Just to make it a little plainer, could I give the House the example of the way this will operate in the manner explained by Mr. Watson?

Let us take a tote pool of £100 in Western Australia on Eastern States betting. The board will take out its 15 per cent. which will bring the amount then to £85. If the dividend in Melbourne—and this is now describing the method of striking the rate between 75 per cent. and 125 per cent.—is £120, here it will take 75 per cent. of £120, which is £90, and it will pay £90, which is £5 more than the £85. So, on that operation, we get 10 per cent. When I use the expression "we," I mean Western Australia. The T.A.B. on that particular race will make £10 per cent.

If the Melbourne dividend is £105, the board will take 75 per cent. of £105, which in round figures is £78. The board will pay £85, so it loses nothing there, but breaks even.

The Hon. H. C. Strickland: You started with £100; you have not lost yet.

The Hon. A. F. GRIFFITH: Let me finish the illustration. If the Melbourne dividend is £64, the board will take 125 per cent. of £64, which is £80; and in that case it would pay £80. If these three cases are studied it will be realised that the board will receive 20 per cent. when it pays the £80; 15 per cent. when its pays £85; and 10 per cent. when it pays £90, making a total of 45 per cent. over the three, which is an average of 15 per cent.; and that is the way the operation will take place.

The Hon. H. K. Watson: That is 15 per cent. after allowing for all the put-and-take.

The Hon. A. F. GRIFFITH: That is right; bearing in mind that on some occasions it is necessary to build up and on other occasions to come down. However, it is anticipated, as I said either last night or early this morning, that the average bet will fall between 75 per cent. and 125 per cent., and in those cases there would be no build-up or break-down.

The Hon. E. M. Heenan: You only take a total of 15 per cent. in any circumstances?

The Hon. A. F. GRIFFITH: Yes, in the over-all. These can be counted as units of 5s. and can be multiplied in whichever way it is desired, but it will come out the same. For instance, take the £100 as 400 units of 5s. instead of calling it £100, and the answer must, of course, be the same. The intention of the Bill is to put the starting-price bookmakers on exactly the same basis as the totalisator—

The Hon. H. C. Strickland: That will be 15 per cent.

The Hon. A. F. GRIFFITH: —in respect to the way they are going to pay; but I understand it is not known that the punter can make his own arrangements with the bookmaker. That may be so, but my advice is that there is no knowledge of such an arrangement. The bookmakers of course pay starting price now for a win, and tote odds for a place; and when this legislation comes into operation, both will be on a parallel. Therefore I hope the Committee will not agree to the deletion of the clause because if it does it will put the two on a different basis, and it is desired to have them on the one basis.

The Hon. H. C. STRICKLAND: I am very grateful to the Minister and Mr. Watson. The example is a very clear one. I said in my opening remarks that I realised and appreciated that the board running a tote pool must, of necessity, have an operation something like that. It will take out 15 per cent. for a start and must hang on to it. My objection is not to the tote operations: my objection is to giving a certain 15 per cent. to the bookmakers and taking it away from the bettor. That is what this does.

The Minister just explained the average of three transactions which cannot miss. The average of the three is still a clear profit of 15 per cent. Surely we are not going to give the off-course bookmakers another certain 15 per cent.?

The Hon. A. F. Griffith: It is not another 15 per cent.

The Hon. H. C. STRICKLAND: Of course it is, because it is taken out of the pool. The Minister could not have demonstrated that more clearly.

The Hon. A. F. Griffith: What do you think the bookmakers are making now?

The Hon. H. C. STRICKLAND: I do not know; but another 15 per cent. is being taken from the bettor under this legislation. If the Minister's example applies to the tote—which is a bookmaker—what is the difference between that pool and the pool amongst the bookmakers?

The Hon. A. F. Griffith: What will they be getting before they take this 15 per cent?

The Hon. H. C. STRICKLAND: It is a sure 15 per cent. I object to the 15 per cent. being taken off. The bettor is already slugged enough as I have demonstrated. Heavens above! Surely something must be done. I asked the Minister what was going to happen where a dividend is 5s. 6d. or 6s., but he has not answered that. The people are going to back winners and be losers.

One can understand the object of the board; and obviously the Government has been worried since the figures were produced in this House because this proposed cushioning, or put-and-take, or to-and-from arrangement, or whatever we like to call it, was not mentioned until last night. The Minister did state in his second reading speech or his reply that the board would lay off on the Eastern States totes. There is nothing to stop it because it can ring through. However, there has been a change of face because the possibility that the board might finish up in the soup has been realised.

Now a system has been worked out whereby the 15 per cent. is taken every time and a cushioning effect is adopted. The bettor loses both ways, but the system is designed to ensure that the totalisator board will get an average profit of 15 per cent. I have no objection to that. My objection is that an extra 15 per cent. is being given to an off-course bookmaker and it is being taken from the punter. I can quite understand that the tote board does not want to be at a disadvantage with the off-course bettors.

One can realise that if a shop is taken in Murray Street, and commences with the board, it is only going to pay 75 per cent. of the tote odds. Naturally the punters will walk around to a shop in another street where they will get the full odds.

The Hon. A. F. Griffith: But they are not going to do that.

The Hon. H. C. STRICKLAND: Not under the Bill, because the dividend will be declared by the totalisator board in accordance with paragraph (b).

The Hon. A. F. Griffith: A few minutes ago I explained what the bookmaker will do.

The Hon. H. C. STRICKLAND: Yes; he is going to get a certain 15 per cent. I understand that, but I do not like it. If the Government is going to start a betting shop, it does not want to be at a disadvantage compared with private betting shops. If this scheme is adopted, the Government will find that people betting on Eastern States racing will bet in the Eastern States, but the Government will still get the off-course bettor until he is driven right out. I do not know where the Government is going to get its revenue from. The Bill provides that bets shall not be made by telegraph, telephone, or anything like that, or with unauthorised operators. I do not know whether the Government can buck the constitution and stop trading with New South Wales when betting is legalised in that State.

In the Northern part of Western Australia it is just as easy to ring the capital cities in the Eastern States as it is to ring Perth. Punters in Kalgoorlie can ring a bookmaker at Port Pirie just as easily as they can ring one at Perth. Paragraph (b) ensures a 15 per cent. profit for the tote; but while it remains in the measure it will ensure a 15 per cent. profit for the bookmaker which, in my opinion, is unfair.

The Hon. H. K. WATSON: I think that Mr. Strickland, in his last few words, summed up the whole position. The Bill is designed to give a 15 per cent. profit to the tote no more, and no less, after all adjustments. It is likewise designed to give a 15 per cent. profit to the bookie, no more and no less, after all adjustments. If my understanding of the position is correct, that is virtually the position of the bookie today, because I understand he finishes up with an average of about 15 per cent. over the year.

The Hon. H. C. Strickland: This is extra.

The Hon. H. K. WATSON: This preserves the *status quo*.

The Hon. H. C. STRICKLAND: The bookies, without the Bill, get 15 per cent. With the Bill they will get another 15 per cent.

The Hon. H. K. Watson: No; it is the same 15 per cent.

The Hon. H. C. STRICKLAND: The Minister made the position clear. The board will start with, say, £100 and pay out 75 per cent. of the pool in some cases and 110 per cent. in others, but on the average it will be left with 15 per cent. The off-course bookmaker is going to pay on Eastern States racing the dividend which the totalisator agency board says he will pay.

The Hon. A. R. JONES: As I see the position, the bookmaker stands to lose considerably less than 15 per cent., just as he stands to win considerably more than 15 per cent. He might have one winning bet on a race, so that a lot of the money he collects would be bunce. On the other hand, he might have seven winning bets out of ten, in which case he would not win 15 per cent. So he will operate on the same profit margin as will the tote.

The Hon. A. F. GRIFFITH: That is pretty near the mark. This result will average out. I gave an example of what would happen with a tote pool of £100. Instead of saying " tote pool" let us say "starting-price bookmaker." How can a starting-price bookmaker get 30 per cent.? The honourable members says he will get another 15 per cent. He cannot get two lots of 15 per cent. As long as the proportion of his betting remains the same as in the example I gave, he will get 15 per cent., and out of that percentage he must meet his expenses and taxes.

I well remember last year the crocodile tears that were shed here because we wanted to put the tax up on some of them by a ½ per cent., but none went broke.

The Hon. H. C. STRICKLAND: Now the Minister wants to give them 15 per cent. The Minister is confusing the issue. I did not say they were already getting 15 per cent. I was debating Mr. Watson's view. His opinion is that at the end of the year they get an average profit of 15 per cent. under the present system. Does Mr. Jones or the Minister want me to believe that the off-course pool of investments on a race is going to be any different from the on-course one? The selections in both cases will be along the same lines.

The Hon. A. F. Griffith: Yes, proportionately.

The Hon. H. C. STRICKLAND: The off-course bookmaker does not take out 15 per cent. for a start and then have a pool. He will only pay the 75 per cent. If the whole pool off-course is £100, then 75 per cent. will be the dividend to be paid. Will not the bookmaker only pay out £75.

The Hon. A. F. Griffith: Where he pays out 75 per cent., he will pay out more than the local pool.

The Hon. H. C. STRICKLAND: The Minister might try to tell me how to read the Bill. If paragraph (b) does not mean

that the off-course bookmaker is going to pay exactly the same as the tote is going to pay, what does it mean?

The Hon. J. MURRAY: The Leader of the Opposition is going around in circles with the same lot of figures and arriving all the time at the same answer as he started with. He will not see anything different. All the clause in the Bill does is to provide clearly that there shall be no difference between what a bookmaker in the country shall pay on Eastern States betting and what the T.A.B. shall pay in the metropolitan area.

The reason for this is clear to anybody who understands betting; and it should be particularly clear to those people who consider that there is going to be illegal betting after the Bill becomes an Act.

Had this provision not been in the measure, and had country bookmakers been allowed to bet S.P. on Eastern States racing, many punters would have gone to the country bookmakers instead of putting their bets through the T.A.B. The reason for the clause is that there shall be uniformity of dividends throughout the State.

The Hon. R. THOMPSON: I am astounded that the Minister and members opposite cannot see what Mr. Strickland is pointing out. The totalisator agency board will be holding money in a pool, and after the deduction of 15 per cent. it will determine the dividend with a guarantee that it will not be less than 75 per cent. In respect of Eastern States racing, the dividend will be not less than 75 per cent. and not greater than 125 per cent.

At present the S.P. operator accepts any bet in his shop. Mr. Watson pointed out that over a year's trading the S.P. operator shows a 15 per cent. profit. He will still continue to do that. He will be gambling against money that is invested in his premises; and that will be no different when the T.A.B. takes over. I am speaking of the S.P. operator in a remote area. At the present time he bets against money wagered in his premises. If he paid the dividend declared in the Eastern States he would be paying exactly the same as he is now, with the same chance of profit or loss as he has at present. But under the system where he will have to pay the dividends declared by the T.A.B., he will have 15 per cent. profit guaranteed to him on every dividend he has to pay out.

The Hon. A. F. GRIFFITH: By way of interjection I tried to draw from Mr. Strickland how much, in his opinion, the bookmakers had now. He said he did not know, and I can well understand that. If I give members the example I gave last night perhaps it will explain the position, because it is regarded as typical of the argument we have now. Recently a horse named Aquanita won a race in Melbourne on Caulfield Cup Day. On the Perth racecourse, bookmakers betting on this event laid Aquanita quite heavily at 4 to 1. Aquanita started at 5 to 1 which is the equivalent of 30s. on the totalisator, and the totalisator dividend in Melbourne was 35s.

Under the system proposed no doubt Aquanita would have paid, through a local totalisator pool, less than 75 per cent of the Eastern States dividend of 35s., which is 26s. 3d. Thus the totalisator agency board in such a case would have paid 26s. 3d. to off-course punters in this State, as against 25s. which local on-course bookmakers paid, and 30s. which local off-course licensed premises bookmakers paid.

On the same day a horse called Ilumquh won the Caulfield Cup and started at 12 to 1. Thus licensed premises bookmakers in this State, for a straightout investment of 5s., paid 65s. This horse paid 83s. on the tote at Caulfield. On this particular event the W.A. Turf Club on the Perth racecourse conducted a tote on the Caulfield Cup, and the winner, Ilumquh, paid £7 12s. 6d.

The Hon. H. C. Strickland: What was its starting-price.

The Hon. A. F. GRIFFITH: Its starting-price was 12 to 1. This, of course, is another clear indication of how punters in this State are not as well informed on Eastern States racing, as are their counterparts on the course in the Eastern States. Under the present system this dividend of £7 12s. 6d. on the local tote would have been reduced to 83s., plus 25 per cent, which works out at £5 3s. 9d.

The Hon. H. C. Strickland: What was the dividend over there?

The Hon. A. F. GRIFFITH: It was 83s. Thus it will be seen that by guaranteeing a dividend of somewhere between 75 per cent. and 125 per cent. of the appropriate Eastern States dividend, the scheme actually operates under a dividend equaliser system. I am told it is considered by some that the bettor in this State might be slightly better off. It is the opinion of those who have been advising the Government that the amount will be approximately the same. I cannot give a better explanation than that.

The Hon. H. C. Strickland: What will happen when the dividend is 5s. 6d. on Tulloch, the favourite horse

The Hon. A. F. GRIFFITH: It might be 6s. 6d. here, and the same equalisation programme will apply.

The Hon. H. C. STRICKLAND: Mr. Murray sees the position quite clearly and he condones it. He condones the fact that the off-course punter will get less than he receives now; and the Government is satisfied to further penalise the off-course punter. It is little wonder that the galleries of Parliament House have been devoid of off-course bookmakers. They can see a goldmine in this lot. When similar legislation was here previously, the galleries were filled with bookmakers who

were busy canvassing various people. Even last year, when the tax was increased, the galleries were filled to the limit.

The Hon. A. F. Griffith: They were worried about the proposal you people had to tax them too much.

The Hon. H. C. STRICKLAND: I honestly thought it was too much. The Minister can get a little nasty by talking about crocodile tears. I do not take exception to it. I am not soft like Mr. Mattiske, and will not ask him to withdraw such silly remarks.

The Hon. R. C. Mattiske: I will ask you to withdraw that in a minute.

The Hon. H. C. STRICKLAND: No bookmaker approached me on this. The first intimation I got was a letter I found in my letterbox yesterday. Last night I saw two bookmakers sitting in the gallery until teatime; but after tea one did not return. The Government is taxing them 3½ per cent. or 4½ per cent. now, but it is going to reimburse them 15 per cent. for certain. The general pool of off-course betting must be exactly the same as the pool in the tote, because the off-course bookmakers are only going to pay the same odds which the tote pays. The odd bookmaker might go broke, but on an average they will have a winning day. But it all comes out of the punter's pocket, and yet we are told the Government seeks to protect the punter.

For hours we heard Mr. Murray castigating the bookmakers, but now he is right on their side. He suggests they be given that extra 15 per cent., and that then everyone will be happy. I am not worried about the bookmaker but about the off-course bettor, from whom the Government is taking another slab, thus leaving him without his just dues or, indeed, the dues he is getting now. Would the Minister explain what would happen to those who backed Tulloch? Will they back a winner or a loser? If a person has 5s. on Tulloch and 15 per cent. is taken out he will receive about 4s.

The Hon. L. A. Logan: That never happens.

The Hon. H. C. STRICKLAND: The Minister seems to agree with that.

The Hon. L. A. Logan: I did not say so.

The Hon. H. C. STRICKLAND: It is unfortunate for the off-course punter. I am sure the Government has approached this matter on the wrong premise.

Amendment put and negatived.

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

Ayes—15.

Hon. C. R. Abbey	Hon. R. C. Mattiske
Hon. N. E. Baxter	Hon. J. Murray
Hon. J. Cunningham	Hon. C. H. Simpson
Hon. A. F. Griffith	Hon. S. T. J. Thompson
Hon. J. G. Hislop	Hon. J. M. Thomson
Hon. A. R. Jones	Hon. H. K. Watson
Hon. L. A. Logan	Hon. F. D. Willmott
Hon. A. L. Loton	*(Teller.)*

Noes—12.

Hon. G. Bennetts	Hon. G. E. Jeffery
Hon. E. M. Davies	Hon. F. R. H. Lavery
Hon. J. J. Garrigan	Hon. H. C. Strickland
Hon. W. R. Hall	Hon. J. D. Teahan
Hon. E. M. Heenan	Hon. R. Thompson
Hon. R. F. Hutchison	Hon. W. F. Willesee
	(Teller.)

Majority for—3.

Clause thus passed.

Clauses 6 to 14 put and passed.

New clause 8A.:

The Hon. H. C. STRICKLAND: As I mentioned when speaking to the second reading of this Bill, I desire to insert a new clause in order to amend section 11 of the Act. Section 11 covers bookmakers' licenses and provides where and under what conditions they will be granted, who is eligible, and so on. My amendment is to overcome an anomaly which was placed in the Act. I would like to read the relevant section to members so that they will understand exactly what I am driving at. First of all I will move my amendment. I move—

> Page 3—Insert after clause 8 in line 5 the following to stand as clause 8A:—
>
> 8A. Subsection (5) of section eleven of the principal Act is amended by adding after the figures, "1911" at the end of paragraph (a) the following passage, "other than a spirit merchant's license or a gallon license;"

I will now read the relevant section of the Betting Control Act. Section 11 (5) (a) reads as follows:—

> The Board shall not grant a license—
>
> (a) to a person who holds, or to a person who is employed in any capacity by one who holds, a license for the sale of liquor under the Licensing Act, 1911;

The object of that provision was to prevent illegal betting in hotels. I was a member of the Cabinet at the time this Bill was drafted, and I well remember the worry that some Ministers had in connection with preventing illegal betting, particularly in hotels. The reason for this was that in New Zealand illegal betting in hotels was very prevalent. Therefore, the Ministers at the time decided to cover the position completely, and they inserted the provision which I have read to the Committee. As a result, a license cannot be granted to any person who holds a license for the sale of liquor; or to a person who is employed in any capacity by one who is licensed to sell liquor. My amendment proposes to exclude spirit licenses, and gallon licenses from that prohibition.

Although my amendment does not say so, I propose to add to it so that it will be restricted to paragraph (a) of subsection (4) of section 11. This means it will apply to an on-course bookmaker only and not to a licensed premises bookmaker. I know

of one case personally in my province of a country bookmaker who bet at about three North-West race meetings. He was a licensed country bookmaker. However, he was also a storekeeper and his store has a gallon license.

The section in the Act to which I have referred immediately rubbed him out as being eligible to hold his license, and he immediately handed it in to the W.A. Turf Club, even before the Betting Control Board was properly constituted. He wrote to some of his north-west representatives and asked whether something could be done to overcome the prohibition. Therefore, I am taking the opportunity now to overcome that problem. I have included spirit merchants because the stock firms such as Dalgetys and Elder Smiths have gallon licenses; and nobody employed in any capacity by those firms is eligible to hold a bookmaker's license on or off the course. Although the amendment does not say so, I am dealing with on-course bookmakers' licenses.

We could have a position where a firm of auditors was working for the Swan Brewery or Richard Holmes—if that firm is still in business—or any other spirit merchant, and it would be ineligible to hold a bookmaker's license. It is rather strange that when I go to big race meetings people are drinking all over the lawns and betting is taking place all over the lawns; and the racecourse is purely a swill and a betting house.

I know many members hold the view that drinking and betting together is objectionable; but those who hold that view must be confining it to off-course betting. I agree with that opinion; and there should be no drink in either the betting shops or the totalisator agencies.

I hope the Minister can see what I am endeavouring to do and that he will agree to my amendment. I notice he is studying Standing Orders, but I hope he will not disqualify me.

Point of Order

The Hon. A. F. GRIFFITH: At this point of time I do not propose to discuss the merits and demerits of the suggestion made by the honourable member; but I am obliged to draw his attention to Standing Order No. 191, which reads as follows:—

> Any amendment may be made to any part of the Bill provided the same be relevant to the subject matter of the Bill, and be otherwise in conformity with the Standing Orders.

The interpretation of "subject matter of the Bill" is as follows:—

> "Subject matter of Bill" means the provisions of the Bill as printed, read a second time, and referred to the Committee.

I am obliged to take this point and to ask you, Mr. Deputy Chairman, for a ruling, because we have to stay on the straight and narrow path in respect of these matters. The Bill does not seek to amend section 11 of the Betting Control Act. Therefore, in my opinion, the amendment is outside the scope of the Bill and I would ask you to give the Committee your ruling.

Deputy Chairman's Ruling

The DEPUTY CHAIRMAN (The Hon. G. C. MacKinnon): When the Chairman of Committees informed me I would be taking this Bill, I gave the matter some consideration as soon as I saw there was an amendment to it. I studied the Bill and studied the section of the Betting Control Act; and it is my opinion that the amendment is not in order for the following reasons:—

(a) I find the Bill is entitled, "An Act to amend the Betting Control Act, 1594-1959."

(b) It deals with the extension of the life of the Act; it amends the long title; it deals with the betting investment tax; it deals with the substitution of the totalisator agency board for the Betting Control Board, the payment of bets at tote odds; and such matters.

(c) I find it does not in any way deal with the issue of a license or the actual licensing of bookmakers.

I referred to Standing Order No. 191, and the interpretation of "subject matter of the Bill" and came to the conclusion that the amendment dealt with the non-issue of a license, which is not dealt with in the subject matter of the Bill, and I made my decision that the amendment is not in order.

Dissent from Deputy Chairman's Ruling

The Hon. H. C. STRICKLAND: With all due respect, Mr. Deputy Chairman, I must dissent from your ruling.

The DEPUTY CHAIRMAN (The Hon. G. C. MacKinnon): Will the honourable member present his objection in writing?

The Hon. H. C. STRICKLAND: Yes, Mr. Deputy Chairman.

[*The President resumed the Chair.*]

The DEPUTY CHAIRMAN OF COMMITTEES (The Hon. G. C. MacKinnon): I wish to report that the Leader of the Opposition moved to add after clause 8 the following new clause to stand as clause 8A:—

> 8A. Subsection (5) of section eleven of the principal Act is amended by adding after the figures, "1911" at the end of paragraph (a) the following passage, "other than a spirit merchant's license or a gallon license;"

and I ruled against this amendment because it did not come within the scope of the subject matter of the Bill. The honourable member has dissented in writing from my ruling.

The PRESIDENT: To enable me to arrive at a decision, I am prepared to hear debate.

The Hon. H. C. STRICKLAND: In his reasons for rejecting the amendment, the Deputy Chairman of Committees mentioned that the amendment was not relevant to the subject matter of the Bill. The Bill is titled an Act to amend the Betting Control Act, 1954-1959, and I should imagine that my amendment is relevant to the Bill. This Bill sets out to amend the whole Act.

The Hon. A. F. Griffith: No, it doesn't.

The Hon. H. C. STRICKLAND: The provisions in the Bill do not, but the title says it is a Bill to amend the Betting Control Act, which was first passed in 1954 and last amended in 1959. I have not a copy of the Deputy Chairman's reasons, unfortunately, but he ruled that no part of the Bill contained any reference to bookmakers' licenses. I think the proposed amendment to section 27 of the principal Act will clearly cover my objection. Section 27 is to be amended by this Bill, and it refers to bookmaking, bookmakers, and places where bets can be laid with bookmakers. My amendment refers to the licensing of bookmakers. I cannot see how the Deputy Chairman can say there is no relevancy when section 27 says—

> No person being the owner or occupier of a place shall open, use, or permit the use of the place for betting by any means whether by persons present or their agents, or by post, telegraph, telephone or other manner, whether of the same kind as or a different kind from any manner specified in this section,
>
> (a) unless the place is registered as registered premises;
>
> (b) unless the place, not being registered as registered premises, is on a race course and then only where a race meeting or trotting meeting is being conducted.

That refers to the bookmakers on a racecourse. There are other sections also which refer to betting and bookmakers. Section 23 deals with the prohibition of races unless in accordance with the Act. It goes on to name licenses. It says that no person shall make a bet unless the place is registered, or is a racecourse where a race meeting or a trotting meeting is being held under a license, and so on.

There is relevancy between bookmakers in the existing provisions of the Bill and in my amendment. My amendment refers to section 11, which is the licensing of bookmakers; and bookmakers are for betting purposes. The whole Bill is a betting and bookmaking Bill.

The statement that there is no relevancy rather astounds me. There have been many occasions when new clauses have been inserted in the Bill where the subject has not even been mentioned in the Bill. I am surprised at the Minister taking objection to this one when last night he accepted an amendment that was never mentioned in the Bill.

The Hon. A. F. Griffith: What amendment was that?

The Hon. H. C. STRICKLAND: The report.

The Hon. A. F. Griffith: That was a completely new piece of legislation.

The Hon. H. C. STRICKLAND: But it is not mentioned in the Bill anywhere—there is nothing in it about the report. It apears that it is a body being set up that is answerable to nobody. The Minister did not take exception to that one, because it suited him. I realise that whoever drafted the Bill is responsible for the Bill; and I know it wasn't the Minister.

Here we have an amendment which is to overcome an anomaly which exists, but which was never intended; and we find that exception is taken, not on the merits or demerits of the proposed amendment—

The Hon. A. F. Griffith: I couldn't do that.

The Hon. H. C. STRICKLAND: —but on the remark that the amendment is irrelevant. I contend that as my amendment deals with betting and bookmakers, and every provision in this Bill covers betting and bookmakers, the relevancy is undoubted.

The Hon. A. F. GRIFFITH: I could not discuss the merits of the amendment put forward by the honourable member on a dissent because the amendment might be out of order. I am not going to suggest that in principle I would oppose the amendment. But I suggest that it would be far better for the honourable member to introduce a separate Bill dealing with this matter if it is considered to be outside the scope of the Bill.

I am not in a position to say, when asking the Deputy Chairman for a ruling upon the question, whether it is valid for us to continue along these lines. But it is necessary to get a point of view. If this House sends to the Legislative Assembly something which is not in accordance with the rules, and the Legislative Assembly deals with it and sends it back and says this amendment is not in accordance with the rules, then we have been neglectful of our duty. In order to protect ourselves in respect to the right procedure to follow in these matters, I must ask for a ruling upon the point.

If you, Mr. President, and the House uphold the honourable member's point of view upon the matter, it is quite competent for us to proceed. But I think the honourable member will agree that, as Leader of the House, I have to prove these things.

The point the honourable member raises about the new clause introduced into the Bill last night—it was moved by Mr. Loton—is a totally different one. In that case we had a new piece of legislation, the title of which we had not had any reason to recognise previously. I suggest it would have been competent for us to put anything into that Bill, but it is not competent for us to deal with this amendment, because the amendment is outside the scope of the Bill itself.

The amendment widens the scope of the power to issue licenses; and the Bill says nothing of the kind. It mentions bookmakers and licenses, but makes no mention of widening the scope of the powers to issue licenses to other people. The principal Act says that anybody who holds a license under the Licensing Act shall not be permitted to hold a license. But the honourable member wishes to move into that point, which is not covered by the Bill before the House, and say that any other type of person can be granted a license. With respect, I considered that the ruling given by the Deputy Chairman of Committees is perfectly correct.

The Hon. A. L. LOTON: I agree with the Minister's contention that the amendment of the Leader of the Opposition goes beyond the scope of the Bill. There is no mention in this Bill of the issuing of licenses. When moving my amendment last night, we were dealing with a new piece of legislation. We could insert anything at all in that Bill subject to the Chamber agreeing and so long as it did not impose a charge upon the Crown. I shall support the Leader of the Government.

The Hon. E. M. HEENAN: This is a borderline case. I submit, Mr. President, that you could, with full justification, give your decision in favour of the point raised by Mr. Strickland. The important words in the Standing Order deal with the subject matter of a Bill. That phrase means the provisions of the Bill as printed. The provisions of this Bill as printed amend section 4 of the Act. Section 4 of the Act is a long one dealing with interpretation—the various terms used in the Act. One of those terms concerns the issuing of a license by the board to carry on the business, under the Act, of a bookmaker.

The amendment to section 4, I submit, is one of the provisions of the Bill. Section 4 defines what a license is. Section 11 sets out the persons to whom licenses shall be granted, or the persons to whom licenses shall not be granted. The sequence is this: The Bill amends section 4; section 4 defines what a license is—

The Hon. A. F. Griffith: It also amends section 5.

The Hon. E. M. HEENAN: —and section 11 of the Act sets out the persons to whom a license shall not be granted. Mr. Strickland proposes to amend that provision. I think it is a very fine distinction to claim that such an amendment is covered by Standing Order No. 191; and I would be very surprised if another place raised such a borderline issue. I think there is some ambiguity about it; and, in all the circumstances, I think you, Mr. President, would be fully justified in ruling in favour of Mr. Strickland's proposition.

The PRESIDENT: If there is no further debate on the point of order I will leave the Chair till the ringing of the bells.

Sitting suspended from 9.16 to 9.57 p.m.

President's Ruling

The PRESIDENT: I have given careful consideration to the objection raised by The Hon. H. C. Strickland to the ruling given by the Deputy Chairman of Committees. To determine the point of order it is necessary to ascertain the meaning of Standing Order No. 191 in regard to the phrase "relevant to the subject matter of the Bill."

Subject matter is defined as the "provisions of the Bill as printed, etc.," therefore if an amendment relates to or has a bearing on those provisions it must be relevant.

Unless the long title limits the Bill to certain sections it is not important that a particular section of the Act is not being amended; it is the subject matter with which we are concerned.

I have studied the amendment moved by The Hon. H. C. Strickland, and in my opinion it introduces new matter not in conformity with the subject matter as contained in the Bill. I therefore uphold the ruling given by the Deputy Chairman of Committees.

Committee Resumed

Title put and passed.

Report

Bill reported without amendment and the report adopted.

Third Reading

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

TOTALISATOR DUTY ACT AMENDMENT BILL

Second Reading

Debate resumed from the 27th October.

THE HON. H. C. STRICKLAND (North) [10.1]: This Bill authorises the totalisator agency board to deduct 15 per cent. instead of 13½ per cent. from the common pool invested on the tote. There is nothing I can say about it except that it is just another take from the investor—the punter.

He will bear this extra burden. It means that out of the total pool to be distributed amongst the successful investors, an extra 1½ per cent. is to be taken. I certainly object to imposing something upon the poor old punter every time relevant legislation comes before this House, and I shall vote against the second reading.

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

Ayes—16.

Hon. C. R. Abbey	Hon. G. C. MacKinnon
Hon. N. E. Baxter	Hon. R. C. Mattiske
Hon. J. Cunningham	Hon. C. H. Simpson
Hon. A. F. Griffith	Hon. S. T. J. Thompson
Hon. J. G. Hislop	Hon. J. M. Thomson
Hon. A. R. Jones	Hon. H. K. Watson
Hon. L. A. Logan	Hon. F. D. Willmott
Hon. A. L. Loton	Hon. J. Murray *(Teller.)*

Noes—12.

Hon. G. Bennetts	Hon. F. R. H. Lavery
Hon. E. M. Davies	Hon. H. C. Strickland
Hon. J. J. Garrigan	Hon. J. D. Teahan
Hon. E. M. Heenan	Hon. R. Thompson
Hon. R. F. Hutchison	Hon. W. F. Willesee
Hon. G. E. Jeffery	Hon. W. R. Hall *(Teller.)*

Majority for—4.

Question thus passed.

Bill read a second time.

In Committee

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

Third Reading

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

BETTING INVESTMENT TAX ACT AMENDMENT BILL

Second Reading

Debate resumed from the 27th October.

THE HON. F. R. H. LAVERY (West) [10.8]: A couple of times during this session I have changed my opinion on a Bill, but this is one measure about which I feel the same as I did previously. I opposed it last year and I do so again. It is a further imposition which is to be placed upon the small investor—the person who pays the 3d. on a bet of 2s. 6d. I well remember that last year the debate on this measure lasted until 2 o'clock in the morning. If anyone can prove to me that justice is being done—I am beginning to believe that the present Government does not know the meaning of the word "justice"—so far as the smaller person in the community is concerned, I would be prepared to reverse my opinion on this legislation also. A person who bets 2s. 6d. is to pay 3d. tax. Therefore, if he invests £1 in bets of 2s. 6d., he will pay 2s., whereas the investor who bets £1 10s., £500, or £1,000, will only pay 6d.; and no person in this Chamber could do anything but agree that that situation is unjust.

There will be a further imposition placed upon the bettor because under the present S.P.-bookmaker system the bettor walks into a shop and pays his 2s. 6d. over the counter and pays his 3d. tax. But now he is going to have an added imposition in that 15 per cent. will be coming out of his investment. It is no good the Minister saying that is not a fact, because it is. In conveying my protest against this Bill, I know I am speaking for the other members on this side of the House.

THE HON. H. C. STRICKLAND (North) [10.12]: I cannot allow the second reading of this Bill to be passed without again protesting about the burden being placed upon the small bettor. Because he is unable to reach a racecourse for various reasons, he is to be charged 3d. for his bet; and then a further burden is to be imposed in that another 1½ per cent. tax is to be borne by the poor old punter, because he has to bet with the totalisator pool. It is a most unfortunate circumstance for the small bettor. It is unfortunate that the people have elected this Government which is prepared to impose this type of taxation upon them. Incidentally, when the Government introduced this system last year, it was stated that it was introduced to compensate the racing clubs for the loss of admission charges from people who bet away from the race course. One can imagine poor old farmers and farm hands—a lot of whom bet—having to pay this 3d. and 6d. tax simply because they are unable to attend race meetings. Wherever we look in the State we find people under the same unfortunate circumstances.

I remember that the Minister wanted to know last year why the racing clubs shouldn't get some form of tax and amusement tax from those who did not bet on race courses. I have mentioned before that I cannot see any amusement gained by a person who is mustering sheep somewhere in the north-west, or branding calves somewhere near Hall's Creek. He gains no amusement from the racing club, but he does get a little pleasure and has something to talk about, by having his 5s. bet each way on a horse. He can then discuss the matter with others, and listen in to the race on the wireless. But he has to pay 3d. for every 5s. bet he makes and if he bets in amounts over £1 he has to pay 6d. Apparently there are not very many big bettors off the racecourses, otherwise the average bets would be higher.

So I raise my objection again to the extension of this investment tax which will be paid by the punter who will, in due course, be forced to bet through the totalisator where the funds will already be taxed to the extent of 15 per cent. I intend to vote against the Bill.

THE HON. A. F. GRIFFITH (Suburban—Minister for Mines—in reply) [10.15]: This is a continuation of the tax that was imposed last year. Mr. Lavery was not accurate in his assessment in respect of the 15 per cent. The 15 per cent. will now go to the totalisator agency board, whereas it formerly went to the starting price bookmaker. We have had quite a deal of discussion with respect to how much the board will get out of it, and all that sort of thing. From figures I have had sent to me from the starting-price bookmakers' association, I wonder just what they are getting out of it, because the figures are very confusing.

However, the man who goes on to a racecourse pays entertainments tax; and the man who goes into a picture theatre pays entertainments tax.

The Hon. H. C. Strickland: He sees something for it.

The Hon. A. F. GRIFFITH: Yes, but the racecourse provides the facilities for betting. If it were not for the racecourses, on what would people bet? They would probably have to bet on flies running up a wall.

The Hon. H. C. Strickland: Have you ever seen people bet on cards?

The Hon. A. F. GRIFFITH: Yes I have; I have seen people bet on all sorts of things. Having been a serviceman, I know what people bet on at times. The fact remains that the racing clubs provide the source of the entertainment. They are the life blood of the sport, if I might put it that way.

The Hon. E. M. Heenan: I think that honour goes to the punter.

The Hon. A. F. GRIFFITH: That interjection is very good, because the punters certainly provide the blood, or the wherewithal; they provide the wherewithal for everything. I have not heard any complaints about the payment of this small tax in respect to betting. I realise that perhaps I am not very close to the scene of operations of betting; and I do not profess to want to be. Nevertheless this tax is a continuation of a tax that is already in existence; and in the scheme of things it will now be transferred to the Treasury, and in the final compilation of the financial position it will be taken into consideration.

Question put and passed.

Bill read a second time.

In Committee

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

Third Reading

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

TOTALISATOR AGENCY BOARD BETTING TAX BILL

Second Reading

Debate resumed from the 27th October.

THE HON. W. F. WILLESEE (North) [10.22]: This, I think, can be described as a great moment for me, at any rate, because this is the last of the totalisator Bills; and even if, on principle, I oppose this measure, as I have opposed the others, I am sure the result will be exactly the same as the previous results.

The Hon. G. E. Jeffery: You are like Tulloch with 10 stone on his back.

The Hon. W. F. WILLESEE: The purpose of the Bill is to fix a tax of 5 per cent. on turnover. Under the parent Act the tax has been paid into the Treasury. The Minister mentioned the estimated turnovers, and the amount it was anticipated would be received from the tax; and he indicated that the Government expected to receive as much under this measure as it is receiving at the present time. The principle of the Bill is the establishment of a tax at 5 per cent.

Question put and passed.

Bill read a second time.

In Committee

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

Third Reading

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

GOVERNMENT RAILWAYS ACT AMENDMENT BILL

Second Reading

THE HON. L. A. LOGAN (Midland—Minister for Local Government) [10.26]: I move—

> That the Bill be now read a second time.

The purpose of this Bill is to clarify some sections of the Act and to bring others into line with present-day requirements and money values.

The commission is empowered under subsection (1) (d) of section 22 of the Act to fix scales of charges to be paid for demurrage on the use of any rolling stock. Though the principal Act has been in existence for very many years and responsibility for the payment of demurrage charges has been accepted by either consignor or consignee, this responsibility has never been defined in the principal Act.

The Government concurs with the view of the Crown Solicitor that opportunity should now be taken, while the Act is being amended for other purposes, to clarify

this position so as to remove any legal doubt in the matter. The amendment proposed in clause 2 of the Bill will do this.

Section 74 of the Act makes provision for the appointment of special constables. The provisions of this section have not as yet been invoked, nor does the Act provide suitable machinery for them to be completely effective.

Clause 3 of the Bill would enable the powers, authorities, and duties of special constables to be prescribed, as also the obligations of persons to facilitate the exercise of these duties. The insertion of the new paragraph (26a) into the section is required because of the commissioner's decision to proceed with the appointment of special constables within the investigation section of the Railway Department. The decision is in accordance with the recommendation of the Commissioner of Railways and it is desired to emphasise that though these officers will be trained in the Police Department—and in fact two employees are at present undergoing a course of six months' training—their jurisdiction will be within the limits of the railways.

The officers will enjoy statutory powers on railway property in the enforcement of by-laws, and their services will be available to the commissioner for the conduct of investigations, as required within the department.

Officers of the railways investigation section have been unduly limited in their investigatory capacity by reason of the fact that their appointments lacked the authority provided in the Act.

Railways in other States make use of police officers for investigations. Some use State police attached for duty, others have investigation section members sworn in as special constables. The proposal for the Western Australian service fits in with the general pattern; and, as previously pointed out, the commission seeks the by-law making power to enable its decisions to be implemented effectively.

Clause 4 deals with penalties under the by-laws. A penalty is regarded as a deterrent. The administration desires the penalty to remain as a deterrent, for if it loses that value it would tend to become a revenue producer at the expense of the discipline of the service. The penalties which were considered effective in 1904 could not be so regarded now and consequently the upward trend is considered to be highly justified and most desirable.

It is important to emphasise here, however, that the principal Act qualifies these amounts as being the maximum penalties, leaving it to the discretion of the adjudicator to set the fine at a figure commensurate with the particular offence and the circumstances surrounding the individual case.

The maximum liability of the commission in respect to claims for damage or loss of uninsured consignments of glassware, silks, and other specified commodities is limited to £10 under the principal Act. When one considers present-day values, such a figure would not be equitable coverage for any consignment of such goods likely to be railed.

The proposal in clause 5 to increase this figure to £25 emanates from a decision made by commissioners of all Commonwealth mainland States when in conference in Sydney in February, 1959. The administration of the commission is invariably on the look-out for new business. The commission has, over the years, invoked section 22 of the Act for the purpose of making special contracts in relation to fares and freight charges at special rates differing from those in the gazetted schedules.

The need for such special contracts arises from time to time and they are negotiated as a means of procuring the haulage rights of substantial consignments of freight which would otherwise be lost to other means of transport. Such rates have been applied also in respect of comparatively low value material, the movement of which, under standard charges, would have been completely uneconomic.

Crown Law officers advise that section 22 does not here apply. As a consequence, the object of clause 6 is to insert a new section 26A similar to the relative provision made in the Victorian Railways Act. Clause 7 doubles the penalty under section 34 in respect of unauthorised carrying or freighting by rail of any firearm or other dangerous object or material. Section 41 of the Act provides protection for the safety of the railways against building encroachment or interference with natural features or other structures on railway property. The effect of the amendment in clause 8 is to double the penalty for such an offence.

Paragraph 3 of section 42 of the Act deals with safety measures at level crossings. A person is prohibited under the existing Act from driving a vehicle or animal across a railway when an engine or train, etc. is approaching within a quarter of a mile. The retention of this provision in respect of unprotected crossings is desirable, but the Act makes no provision for crossings protected by flashing-light signals.

The quarter of a mile margin is not considered necessary at such crossings, and under some existing conditions restricts road traffic movement. As a result of investigations made, it has been established that a warning of a minimum of 20 seconds by flashing lights that a train is approaching is adequate in respect of railway operation and makes safe provision for road traffic movements.

The effect of the amendment contained in clause 9 is to introduce a new passage into this paragraph making separate provisions for movement over level crossings protected by lights; and also to provide for an appropriate increase in the penalty.

On acount of changes in the operation methods now adopted in respect of metropolitan passenger services, a number of stopping places have been introduced where there are no regular facilities for purchasing tickets, and at other places such facilities are not always attended. Tickets are, however, dispensed by ticket porters on diesel railcars at times when a number of stations remain unattended.

The existing provisions of section 46 of the Act were not drafted to cope with this situation. Whereas prior to the introduction of the new methods any person without a ticket on a train could be reasonably called upon to give some satisfactory explanation, that position no longer holds, for it is the obligation of the ticket porter travelling on the train to endeavour to collect all fares.

Additionally, however, there is an increasing likelihood of a greater proportion of passengers reaching their destination without having an opportunity to tender their fare. The obligation to tender a fare when it is at all possible is undisputed, and the amendment introduced under clause 11 makes it an offence for such passenger to endeavour to leave or attempt to leave the railway without paying or tendering the appropriate fare. This is a simple obligation placed on the passengers whose convenience is being studied by the erection of many small unattended stopping points.

The provision, though necessary, will not be easy to police, because, in the conviction of an offender, it will be incumbent upon the department to establish to a court that the passenger either refused to pay or failed to tender his fare. The latter charge could barely be established in the event of there being no ticket collector at his point of alighting. Section 48 deals with the offence of unlawfully interfering with the safe working of the railways and provides a penalty, and it is proposed under clause 12 that this penalty be doubled.

The amendment proposed under clause 13 would introduce into the Railways Act a provision similar to that existing under the Traffic Act, which is quite effective. No-one would deny that a safe railway is equally as important as a safe highway. A crew member, for instance, could be under the influence of liquor or drugs, but yet escape the penalty for drunkenness, which, in the absence of a doctor, is not easily proven. There have been numbers of cases where employees have been charged with being under the influence of liquor and have claimed their condition was due to drugs.

Section 51 provides that when an employee, while on duty, is found to be drunk, he can be taken before two justices and the maximum penalty of £50 or six months' imprisonment may be imposed. Owing to the difficulty of satisfactorily proving when a man is drunk, this section of the Act has been little used.

It is an offence under by-law No. 54, made under the provisions of section 23, subsection (26) of the Act, for an employee to be unfit for duty through being under the influence of intoxicants. Where such cases do occur, action is usually taken under the provisions of that by-law. Where, as a result of such behaviour, the commission inflicts a punishment, then the employee may appeal to the Railway Appeal Board set up under section 77 of the Act.

The proposed amendment to section 51 of the Act is an attempt to overcome the difficulty of trying to prove a man drunk; and if the Act were so amended it would then be competent for the commission to proceed before a court under this section of the Act if an employee were considered to be under the influence of intoxicating liquor or drugs. Any action taken under this section would not in itself give the employee the right of appeal to the Railway Appeal Board. In the event of the employee being dealt with by the court under this section; and the commission's decision, after considering his behaviour, being that it could no longer employ him and it consequently dismissed him, then the employee would have the right of appeal to the Railway Appeal Board against the dismissal.

Where an employee was charged under this section, a senior officer or officers charging the employee would be in the same position in giving evidence before a court as they would be in giving evidence before the Railway Appeal Board. It is intended that action under this section would be taken only in extreme cases where gross misconduct was held to have taken place.

When a person is considered to be under the influence of intoxicating liquor or drugs whilst in charge of a road vehicle, he is put under the usual sobriety tests—testing his steadiness on his feet, smelling the breath, testing any hesitancy in speech, and observing his general appearance and demeanour. If the person concerned desires a medical test, there is provision that he can have one.

In so far as the railways are concerned, the usual practice is that an officer—or, where possible, more than one—makes similar tests in an effort to decide the sobriety of the person concerned, and if it is considered he is incapable of performing his duties, suitable action is taken, bearing in mind that in many cases it would not be possible to obtain a doctor's services.

Although it is considered highly desirable that this amendment should be included in the Act, it is not actually, in fact, breaking new ground. The Railway Appeal Board has on several occasions ruled that it is not necessary for a doctor to certify that an employee is drunk or under the influence of intoxicating liquor or otherwise incapable of performing his duties; that board will accept evidence from the officers who decided that the employee was incapable, and such witnesses would explain their reasons for so determining.

Clause 14 proposes the insertion of a new subsection (2) to section 73 of the Act with a view to making quite clear the position of the commission as regards an offence by an employee which was also an offence under the Traffic Act. When the Government Railways Act was remodelled in 1948, a proviso was added to section 73 without reference to the department. The proviso reads:—

> Provided that no fine shall be inflicted under this section for any act or omission for which an officer or servant has been punished under sections 30 or 31 of the Traffic Act, 1919-1958; and provided that the Commission shall not inflict on any such officer or servant more than one form of punishment for the same offence.

This proviso has been interpreted as meaning that where an employee in the course of his duty has been driving a departmental vehicle and has contravened a provision of the Traffic Act which has resulted in his being punished under sections 31 or 32 of that Act, the department could not also fine such employee for that same offence, although it left open to the department to inflict some other form of punishment.

For instance, an employee driving a departmental vehicle may have been guilty of reckless, negligent, or dangerous driving; and though a fine may have been imposed for such misdemeanour under the Traffic Act, it could be that the department considered the employee was no longer fit to occupy the position of vehicle driver in the department and either desired to dismiss him or regress him to some lower capacity because it no longer had confidence in him as a vehicle driver. The Act at present does not prevent the department taking such action.

An employee, when driving a departmental vehicle, is obliged to comply with the provisions of the Traffic Act, under which he, as an individual, obtains a license to drive such vehicle, and he must accept responsibility for any breach of the Act. It will be noticed that the proviso quoted only prevents the commission from fining such employee.

Under the amendment proposed to section 73, it is intended to alter that provision; but in view of the proposal under subsection (2), paragraph (a), whereby the commission can inflict more than one form of punishment on employees for purely railway misdemeanours, it was thought necessary to make the position quite clear in so far as an offence by an employee, which was also an offence under the Traffic Act, was concerned.

It is important to note in respect of this amendment, that section 77, subsection (5), of the Act provides for an appeal to the Railway Appeal Board if an employee is transferred by way of punishment involving loss of transfer expenses, but there is no provision in the Act to enable the commission to inflict this form of punishment. The amendment makes such provision.

Reference has been made to the appointment of special constables and the fact that section 74 of the Act enables such appointments to be made. The object of the amendment contained in clause 15 is to render the Commissioner of Railways liable for acts done in good faith by the special constables, in a similar manner as is the Commissioner of Police in respect of the Police Force.

Section 76 provides that membership of the Endowment Fund shall be a condition of employment in the Railways Department, but an exception under subsection (4), paragraph (b), is allowed in respect of employees who prove to the satisfaction of the commission that they hold for their own benefit a life assurance policy, the benefits of which equal those provided through the fund. A great deal of expensive policing work is involved because of this exception. Contributions to the fund are of a generally nominal nature, the minimum being 2s. per week, and it is desired that the exception be deleted in so far as future employees are concerned.

THE HON. H. C. STRICKLAND (North) [10.43]: Apart from listening closely to the Minister explaining the contents of this Bill, I have also carefully perused its provisions following its introduction in another place. Not a great deal of objection can be voiced against most of the amendments proposed by this measure, but I hope the Minister will agree to accept an amendment to the clause in the Bill which seeks to amend section 73 of the principal Act. Under the Government Railways Act, the commission cannot punish one of its officers or servants twice for the one offence. Only last year a departmental officer successfully appealed against his dismissal under that section.

The Hon. L. A. Logan: That was Proctor, wasn't it?

The Hon. H. C. STRICKLAND: In the normal course of justice one would agree that a person can be punished only once

for an offence, but not twice. The Minister explained that the amendment proposed to section 73 seeks to inflict more than one punishment upon a railway employee if he commits an offence.

The Hon. L. A. Logan: Not within the department.

The Hon. H. C. STRICKLAND: Within the department.

The Hon. L. A. Logan: Only if the person was convicted of a traffic offence outside.

The Hon. H. C. STRICKLAND: As I understand the provision, that person is an employee just the same. The Bill does not specify employees driving vehicles. The proposed new subsection in the Bill states—

> in any case where the Commission considers the circumstance warrant, by way of punishment for an act or omission reduce an officer or servant to a lower class or grade and also transfer him without payment of transfer expenses.

Surely the provision contains a double punishment.

With the exception of that one provision, it is difficult to raise any logical opposition to the proposals in the Bill. When the Bill reaches the Committee stage I hope an opportunity will be given for me to move an amendment to clause 14.

THE HON. G. BENNETTS (South-East) [10.47]: This Bill contains some excellent provisions. One relates to investigating officers of the department. In my view, it is better to have such officers trained by the Police Department, because with that training they will be better equipped for their jobs. I have had a lot to do with the question of pilfering in the railways, and I know what takes place. It is essential that investigating officers should be trained by the Police Department.

When I was working in the railways I noticed that pilfering went on in a big way. Thirty-ton vehicles came over the Commonwealth railway line loaded with parcels of goods for the commercial houses. The parcels included cartons of hosiery, tobacco, and similar articles. It was difficult to detect theft of these articles from the cartons, and we spent many hours in counting the goods.

When pilfering exists to a large degree in the railway system, business is taken away from the railways and the goods are transported by ship. Some of the people employed in the railways have become professionals in the theft of goods in transit.

There is a reference to ticket collectors in one of the provisions. They are to be provided at some unattended sidings, so that they can issue tickets to passengers. Formerly when a person boarded a train without a ticket, he could, under the regulations of the department, be charged a booking fee of 6d. The provision in the Bill will overcome this difficulty and the booking fee will not continue to be charged.

Regarding the incidence of drunkenness among the employees, in my long experience of the railways I did not tolerate this. I have seen a lot of it going on, and I have seen trains leaving Kalgoorlie when the locomotive driver had to be pushed into the cab by the fireman, and the fireman had to take the train out. There were no responsible officers on hand to do anything about this matter. I have seen such instances on many occasions.

I have seen trains with 120 to 140 passengers leaving the Kalgoorlie station, when the locomotive driver was in a drunken condition. I do not know how he got on, because in those days the locomotives were steam engines and the fireman had the job of driving the locomotive as well as firing the engine. I am not referring to the State railway system. This Bill concerns the State railway system, but I do not know whether the things I have referred to take place under this system. However, the provisions in the Bill will bring about an improvement in the system.

I am opposed to the idea of any employee being penalised twice for the one offence. If a fine is imposed, that should be a sufficient penalty. There is an appeal board in the Railways Department and it has rendered excellent service. It has a good name for fairness.

There is another provision relating to railway crossings where flashing lights are installed. If motorists cross a railway line when the red lights are on they should be heavily fined. On one occasion a member of another place went over a railway crossing just after a train had passed, and his vehicle was missed by a fraction of an inch by another train crossing in the opposite direction while the red lights were still on. Lights which are installed for the protection of the public should be observed by motorists. I support the second reading.

On motion by The Hon. C. H. Simpson, debate adjourned.

METROPOLITAN WATER SUPPLY, SEWERAGE AND DRAINAGE ACT AMENDMENT BILL

First Reading

Bill received from the Assembly; and, on motion by the Hon. A. F. Griffith (Minister for Mines), read a first time.

ACTS AMENDMENT (SUPERANNUATION AND PENSIONS) BILL

Second Reading

THE HON. A. F. GRIFFITH (Suburban—Minister for Mines) [10.55]: I move—

> That the Bill be now read a second time.

As its title implies, this Bill is for an Act to amend the Superannuation and Family Benefit Act and the Superannuation Act.

The purpose of the amendments which are proposed is to remove certain anomalies brought about by amendments made to the Acts over a number of years.

Members will note that this Bill contains four clauses. The amendments to the Superannuation and Family Benefits Act are contained in the various subclauses of clause 3; and clause 4 deals with the Superannuation Act.

The first anomaly to be removed relates to female contributors who desire to elect to contribute for retirement at the age of 65 years. Both male and female officers in the Government service may continue in employment until the age of 65 years, and no logical argument may be advanced for discrimination as between the sexes electing to contribute. The amendment set out in subclause (3) (a) of the Bill removes this anomaly.

There is a second provision, however, in subclause (3) (b). The actuary has recommended that the State should not contribute its share of the pension unless the prospective contributor has served the State for an aggregate period of 10 years, and this recommendation has been applied to the definition of "the maximum age of retirement" and also embodied in a subsection (5) to be added to section 32 under subclause (4) of the Bill.

Subclause (5) of the Bill proposes to increase from 26 to 42 the number of units of superannuation available to contributors. This increase is brought about by an era of higher salaries. When the principal Act became law in 1938, its provisions were intended to enable contributors to contribute for a pension approximating 50 per cent. of salary. The maximum of 26 units was available to an officer on a salary of £2,080 per annum. The additions to scale B of section 37 make provision for a sufficiency of units being available to officers on salaries up to a maximum of £4,160. This extension of the scope of the scheme is along lines already adopted by other States and by the Commonwealth.

Subclause (6) of the Bill makes consequential provision for additional units to be procured in accordance with column 2 of the scale. Subclause (7) applies the aggregate period of 10 years desired by the actuary to eligibility of persons desirous of electing to contribute for retirement at the age of 60 years.

Subclauses (8), (10), and (15) deal with widows' pensions. This amendment will remove to a large extent anomalies which occur because of the supplementation of superannuation pensions by a flat rate under the repealed Pensions Supplementation Act.

An examination of the provisions of other States' funds and the Commonwealth superannuation has confirmed that the widow's pension is generally set at five-eighths of the husband's entitlement. The present value of a unit is 17s. 6d. per week. Under this proposal the widow's pension would be increased by 2s. 3d. per unit to 11s. per week per unit.

The Superannuation Board concurs with the view that the increased cost involved in the proposal should be shared between the contributors and the State on the same basis as previously—namely, two-sevenths payable by the fund and five-sevenths by the State.

The amendment proposed in subclause (9) would remove an anomalous situation existing in respect of a group of pensioners who commenced to draw their pensions before the 1st January, 1958, and who were contributing for more than eight units. These pensioners are receiving superannuation at a rate of 15s. per week per unit, plus a flat rate supplementation of £1 per week. It eventuated that when the 1957 amendment Act was passed to grant a unit value of 17s. 6d. per week per unit, existing pensioners with units over 8 received less for the units in comparison with contributors who retired subsequently. Both groups have paid the same rate of contribution and are entiled to the same rate of superannuation.

Subclause (11) makes provision for the fund to meet the payment of its share of the pension during the leave period following retirement. The existing Act prohibits the payment of a benefit to a retired contributor until he has cleared all leave due to him upon attaining retirement date. It is an established policy that the State shall not pay pension and leave payments concurrently, but there is no reason why the fund should not meet its fair share.

Subclause (12) modifies the State's liability for payment of its share of superannuation to statutory office holders whose terms of appointment may be for a very limited period. In the case of, say, a comparatively young man being appointed for a term of, perhaps, just a few years, the State is at present obliged to meet its full share of the superannuation which would have been paid by the State had the officer continued in State employment until he had at least attained the age of 60 years.

The fund pays its share at present on a *pro rata* basis, and it is considered equitable that the State's share should be paid on that basis also; and, furthermore, should the office terminate after a period of less than 10 years' service, a refund of only the personal contributions made is now proposed.

Subclause (13) of the Bill makes provision for contributors remaining in the service after 65 years of age to be paid

ultimately a pension increased by a certain percentage graduated according to the number of years' additional service given after 65 years of age.

This provision will apply in particular to stipendiary magistrates whose retirement age is fixed at 70 years; as a result of which the intervening period is nonproductive in the way of benefits for this group. The additional cost involved is to be met from the fund.

Subclause (14) refers to invalidity. A pension may not be paid under the Act to a person retired on the ground of physical or mental incapacity during the first three years of his service.

Because of the possibility, however, of a contributor becoming incapacitated from an injury arising from his Government employment, it is intended to insert that condition in the Act, and, as a consequence, a pension would be payable.

A further matter with respect to pensions to widows is dealt with under subclause (16). The principal amendment proposed under this clause is the addition of a new subsection to section 63 of the principal Act. The insertion of this subsection makes it abundantly clear that no pension will be payable to the widow of a male pensioner who married after he had attained the maximum age for retirement or after his retirement from the service. Nor will any pension be payable in respect of her children or of the children of that marriage.

It is proposed to remove the restriction now imposed by section 80 of the Act. Subclause (17) of the Bill repeals this section, the provisions of which have been found to be harsh in their application to some deserving cases of widows or retired pensioners re-employed in the service.

It is proposed that the amendments shall come into operation as from the 1st January, 1961, as stated in subclause (18). The benefits proposed are estimated to cost the Consolidated Revenue Fund £15,000 per annum.

Clause 4 of the Bill provides for the addition of a new subsection (3) (c) to section 1 of the Superannuation Act 1871-1958.

It is a well-known fact that the pensioners under this Act have suffered considerably because of the diminishing value of the pound. Though measures have been taken from time to time to alleviate their position, the over-all effect of the adjustments made has benefited some more than others.

The Bill provides for the application of a formula designed to grant these pensioners an increase in benefits equivalent to those provided under the 1938 Act, up to, but not exceeding, £1183.

The method to be employed will be to convert the pension payable under the Superannuation Act of 1871 to pension units as provided for under the 1938 Act, and now amended.

The result of this will be that some pensions will increase and others will decrease. This comes about because of inequitable results obtained from percentage increases and other adjustments in the past.

The Bill provides, however, that no pension will be reduced below the amounts now being paid. The cost of meeting this additional commitment will be a reducing one and is estimated at £8,000 per annum at the present time.

As indicated when introducing the measure, the purpose of this Bill is rather to remove anomalies than to grant increases in superannuation or pensions.

On motion by The Hon. E. M. Davies, debate adjourned.

ADJOURNMENT OF THE HOUSE: SPECIAL

THE HON. A. F. GRIFFITH (Suburban—Minister for Mines): I move—

That the House at its rising adjourn till 2.30 p.m. tomorrow.

Question put and passed.

House adjourned at 11.7 p.m.

Legislative Assembly

Wednesday, the 9th November, 1960

CONTENTS