

*Report*

Bill reported, with an amendment, and the report adopted.

*Third Reading*

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

House adjourned at 11.17 p.m.

## Legislative Council

Wednesday, the 30th October, 1963

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**QUESTIONS ON NOTICE****BUSINESS PREMISES OF MR. STEVENS, KALGOORLIE***Government Payment to Contractor for Re-erection*

- The Hon. G. BENNETTS asked the Minister for Mines:
  - Is the Minister aware that the Government provided a Mr. Stevens, piano tuner, of Kalgoorlie, with alternative business premises in the form of part of the Boulder Technical School, on a site in Lamington Heights, in exchange for a site in Hannan Street where water supply offices were to be constructed?
  - Is he also aware that the Government agreed to finance the removal and re-erection of the Boulder Technical School section on the new site at Lamington Heights for Mr. Stevens?
  - If the answers to Nos. (1) and (2) are "Yes", when is it anticipated the contractor, Mr. Pike of Kalgoorlie, will be paid by the Government for the work performed by him some eight or nine months ago?

The Hon. A. F. GRIFFITH replied:

- Yes. The site in Hannan Street was acquired on behalf of the Main Roads Department.
- Yes.
- The first account from Mr. Pike was received on the 18th October, 1963. Payment will be made within the next week.

**WHEAT INSURANCE***Valuation by Insurers*

- The Hon. H. R. ROBINSON (for The Hon. C. R. Abbey) asked the Minister for Mines:

In view of the reported large sales of export wheat at increased values by the Australian Wheat Board in the 1963-64 grain year and the expected continued strength of the world market, and particularly in view of the fact that the value of wheat for insurance purposes was placed at 10s. 4d. per bushel in the previous grain year, will the Minister take steps to see that a more realistic value is offered by insurers than the present 9s. 4d. per bushel for wheat for the 1963-64 season?

The Hon. A. F. GRIFFITH replied:

The value of wheat for insurance purposes for a season is decided in Victoria at a meeting of all insurance interests throughout Australia on available market reports at the time. The value can be

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

reviewed at any time on an approach from interested organisations on production of evidence of changed market conditions. To date there has been no approach to underwriters for a review.

### STANDARD GAUGE RAILWAY

*Kalgoorlie-Koolyanobbing Section:  
Permanent Way Gangs*

3. The Hon. J. J. GARRIGAN asked the Minister for Mines:

In connection with the standard gauge railway, how many permanent way gangs are to be established between Kalgoorlie and Koolyanobbing?

The Hon. A. F. GRIFFITH replied:  
The matter is under investigation and has not yet been determined; nor has a final decision been made on the actual route.

### PASTORAL LEASE 1727/61

*Experience and Qualifications of Applicants*

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

Further to the question asked by me on the 23rd October, 1963, regarding pastoral lease 1727/61, will he advise the evidence submitted to the board regarding—

- (1) grazing experience; and
- (2) all other qualifications possessed by—
  - (a) J. E. Morton;
  - (b) K. G. Fuller;
  - (c) W. G. Bryant;
  - (d) G. R. Ibbotson Senior;
  - (e) H. Ibbotson; and
  - (f) G. R. Ibbotson Junior?

The Hon. A. F. GRIFFITH replied:  
As the evidence submitted to the Land Board includes information of a private and confidential nature it is not considered desirable to make available the information requested.

### UNDERGROUND NATURAL GAS

*Location, and Quantities*

5. The Hon. H. R. ROBINSON (for The Hon. C. R. Abbey) asked the Minister for Mines:

- (1) Has natural gas from underground sources ever been found in commercial quantities in Western Australia?
- (2) If so,—
  - (a) in what parts of the State; and
  - (b) in what quantities?

The Hon. A. F. GRIFFITH replied:

- (1) No.
- (2) Answered by No. (1).

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

*Introduction and First Reading*  
Bill introduced, on motion by The Hon. E. M. Heenan, and read a first time.

### FIRE BRIGADES ACT AMENDMENT BILL

*Second Reading*

THE HON. L. A. LOGAN (Midland—  
—Minister for Local Government) [4.37 p.m.]: I move—

That the Bill be now read a second time.

This Bill to amend the Fire Brigades Act contains three main provisions. Firstly, it varies the rate of contributions paid to the Western Australian Fire Brigades Board by the Government, local authorities, and insurance companies.

Secondly, it includes the State Government Insurance Office in having to make additional contributions towards the financing of the activities of the Fire Brigades Board through the fire risk component on comprehensive motor vehicle, and any other policy or cover which, if effected through a private insurer, would require payment of fire brigade insurance.

Thirdly, the Bill provides for procedures as sought by the underwriters—insurance companies—and agreed to by the Fire Brigades Board, for arriving at the amount to be paid by any one insurance company.

When giving consideration to this measure, it will be as well to bear in mind that the experience of the Fire Brigades Board over recent years, and particularly in connection with new companies, makes it desirable that certain administrative processes, instituted over the years in connection with premium returns from insurance companies, should be specifically catered for in the Fire Brigades Act.

Experience has shown that the method adopted in returning premiums by the insurance companies to the Fire Brigades Board has been unsatisfactory. A good deal of confusion arises in this connection as regards new companies coming in. Long established companies agree that present methods are somewhat antiquated.

This measure provides for flexibility in operations to meet the changing pattern in the field of insurance, which is occasioned by the growing complexities of business and industry. There is provision for policies, and proportions of policies, to be declared by Order-in-Council, and this proposal has the concurrence of both the insurance companies and the board.

As regards variation of contributions, it is pointed out that the rates of contributions to the fire brigade costs since 1898 have been as follows:—

**Fire Brigades Act, 1898—Fire Brigades Board, Perth, W.A.—**

Municipalities (Perth only) .....	4/9ths
W.A. Government .....	1/9th
Insurance companies .....	4/9ths

**District Fire Brigades Act, 1909—**

Local authorities .....	3/8ths
W.A. Government .....	1/4th
Insurance companies .....	3/8ths

The foregoing figures indicate a change in contributions over the years and again, under the 1941 Act, the proportions were altered to—

Local authorities .....	2/9ths
W.A. Government .....	2/9ths
Insurance companies .....	5/9ths

On the passing of the Acts Amendment (Fire Brigades Board and Fire Hydrants) Act, 1961, local authorities were relieved of the obligation of paying the cost of new fire hydrants and repairs to hydrants in fire districts. Under that Act, these costs are borne by the Fire Brigades Board.

Successive Ministers holding the portfolio of Chief Secretary have been subjected to demands on the one hand by the Local Government Association for a reduction in its two-ninths rate of contribution and by the insurance companies for a reduction in their five-ninths contribution.

The rates of contribution to the Fire Brigades Boards in each State vary. In fact, in Victoria, there are internal variations within the State. This Bill adopts an average of all States including Western Australia. Treasury officers examined the various rates in each State, and the contributions submitted for inclusion in this Bill have been arrived at, having regard for as many of the minor variations throughout the States as possible.

The average figures for the Australian States is being used to establish a basis for periodical reviews by Parliament. The contributions now proposed are intended to apply for a three-year period, so requests for changes could well be ruled out, at least until about 1967, because the new rates become effective from next year.

The new averages will be 64 per cent., 20 per cent., and 16 per cent. The insurance companies will pay more. The Local Government Association will pay a fraction over 2 per cent. less, and the State Government will pay approximately 6 per cent. less.

We are advised that very serious consideration was given to the position of the State Government Insurance Office in making a decision to include that instrumentality. In the final analysis, it was decided by the Government that the

S.G.I.O. should be responsible, together with other insurance companies, and the Royal Automobile Club, for its fire risk component in comprehensive motor vehicle insurance, and other insurances carrying a fire risk component.

The R.A.C. contributes annually to the W.A. Fire Brigades Board a sum of money exceeding £5,000 by quite a substantial amount, because of the fire risk component in its motor vehicle insurance policies.

It seems only fair to include the State Government Insurance Office; and in this connection, it is pointed out that the S.G.I.O. payments to the W.A. Fire Brigades Board in respect of the local authority pool is in the vicinity of no more than £600 per annum.

The present fire risk component for comprehensive motor vehicle insurance is 3 per cent. It is intended when regulations are being drawn up, after the passing of this measure, that this figure be reduced by Order-in-Council to 2½ per cent.

Debate adjourned, on motion by The Hon. W. F. Willesee.

## PAINTERS' REGISTRATION ACT AMENDMENT BILL

### *Receipt and First Reading*

Bill received from the Assembly; and, on motion by The Hon. F. R. H. Lavery, read a first time.

### *Second Reading*

**THE HON. F. R. H. LAVERY (West)**  
[4.45 p.m.]: I move—

That the Bill be now read a second time.

This Bill contains two provisions to amend the Painters' Registration Act, and I am hopeful that the contents of the measure will meet with the approval of the Government. In any event, the provisions are quite simple to follow. Members may recall that as from the proclamation of the Act, which came into operation on the 1st January this year, a person who desired to engage in the business of painting had to have certain qualifications. However, there is a provision, which applies in all cases, that those who are actually engaged in the industry or the trade at the time of the coming into operation of the measure will be permitted to apply and will be accepted by the registration board.

The amendment in the Bill is to provide for the limitation of that concession. It is proposed, and I trust the House, and indeed Parliament, will agree, that this concession shall continue only until the 31st December, 1963. In other words, those who have not the qualifications, but who have been engaged in the trade of painting, will have had a period of 12 months in which to lodge their applications and be registered, for which they will pay a fee.

I think members will agree that it is quite a reasonable proposition since the Builders' Registration Act, an amendment to which was introduced by this Government in 1961, provides in section 10—

Any person not being a company or other body corporate who at the date of the coming into operation of the Builders' Registration Act Amendment Act, 1961, is a builder or a supervisor of building work but is not registered under this Act, may within three months of that date apply to the Board for registration under this section, and shall be entitled to be so registered if and when—

he has paid prescribed fees, etc.

The position is that as time passes it becomes increasingly difficult to disprove a claim by any applicant that he was in fact engaged in the trade as at the 1st January, 1963. In allowing a full span of 12 months, I think that, if anything, the legislation is being generous; and perhaps it can be pleaded that to some extent it should have included some period at the time the legislation was first submitted for the consideration of Parliament.

The second amendment is again based on a provision in the Builders' Registration Act, and it will require every registered painter to affix or erect on all works under his control a sign of reasonable dimensions showing in easily legible letters and figures his name and registered number. That, with the alteration from "builder" to "painter", is practically the wording taken from section 10 of the Builders' Registration Act, and accordingly I do not anticipate any opposition in regard to the amendment. As members know, this Bill has come up from another Chamber, and the Government did not oppose the clauses in the measure.

Debate adjourned, on motion by The Hon. A. F. Griffith (Minister for Mines).

## LICENSING ACT AMENDMENT BILL

### *Second Reading*

THE HON. A. F. GRIFFITH (Suburban—Minister for Justice) [4.49 p.m.]: I move—

That the Bill be now read a second time.

The amendments to the Licensing Act which were passed last Session had two main objectives. The first was to provide a variation in licence fees to be effective from the 1st January, 1963. The proposal was to assess fees on a gross purchase price including excise, and excluding cost of cartage, and, as a consequence, reduce the fee to 5½ per cent., as compared with 8½ per cent. assessed on the value of purchases, excluding both excise and cost of cartage.

Concurrently, it was proposed to assess the license fee for 1963, and succeeding years, on the basis of purchases made during the preceding period of 12 months.

The increased return in fees which the lesser rate applied on the new basis would provide had become necessary to the State for the avoidance of adverse adjustments then being made by the Grants Commission when determining special grants for Western Australia. These adjustments were in excess of £200,000. The amendment to the basis of assessment was considered necessary also for the reason that the existing basis was thought not likely to survive a court challenge should such eventuate.

License fees were assessed half yearly under the Act prior to the 1962 amendment; the assessments being made on purchases made during the preceding six months. This necessitated the second of those assessments in a licensing calendar year being made on the basis of purchases during the first six months of that licensing year. There was, therefore, some doubt as to whether a successful legal defence of the system of assessment could be substantiated in the event of legal recovery action being necessary; and this was particularly so in respect of the second half-yearly assessment.

The effect of the legislation was a requirement that all license fees subsequent to the 1st January, 1963, be payable in advance and assessed on the purchases for the preceding twelve-monthly period. This has, however, led to a very undesirable complication arising in relation to the assessments for 1963. Members may desire to refer to section 73 of the Act. Under the previous mode of assessment, purchases during the period the 1st January to the 30th June, 1962, had already been assessed. Yet the amendment Act provided that the license fee for 1963 should be assessed on the purchases for the whole of the calendar year 1962.

It transpired, therefore, that under the new legislation it became necessary to use the figures for the first six months of 1962 for the second time. This procedure was considered wide open to challenge on the basis of dual assessment, which appeared to conflict directly with subsection (14) of section 73, which reads as follows:—

Notwithstanding anything in this section contained . . . no liquor upon which the percentage fee has already been assessed or paid shall be liable to a second or subsequent assessment or payment under the section.

Had action been taken to exempt the 1963 assessments from the provisions of that subsection, the present problem would not have arisen. That aspect was, however, inadvertently overlooked. That is one reason why this amending Bill is necessary.

Further, it has been suggested that because of the use of the phrase "period of twelve months," which appears in the seventh and sixth last lines of the present subsection (1) of section 73 of the Act as it now stands, there is in effect no power at present to assess a license fee for 1963. The passing of this measure is accordingly regarded as a matter of urgency.

Furthermore, the alteration in the method of calculation, under which fees as from the 1st January, 1963, become payable in advance, has disclosed yet another deficiency in the Act. The weakness here lies in the fact that there is no provision to fix a license fee for the first year of trading in the case of a new hotel, or to fix a realistic fee where a licensee has not traded for a full period of 12 months in the previous year.

The Hon. F. J. S. Wise: There is nothing to measure it by.

The Hon. A. F. GRIFFITH: No. It will be appreciated that it is now thought preferable to repeal the relevant portions of section 73 rather than attempt piecemeal amendments to correct the deficiencies which have been brought about through the previous Bill. This measure contains a redraft of the desired provisions with retroactive application to 1962. This has been done in order to make it clear that there is a liability to pay the license fees in respect of the 1963 year, which was, of course, intended. The doubtful sections of section 73 are re-enacted in clause 3 of the Bill.

A new section numbered 73A empowering the court to assess fees, in cases where trading figures for a full 12 months' period are not available, is contained in clause 4. It should be emphasised at this point in the explanation of this measure, that the redrafted provisions do not increase in any way the incidence of percentage fees payable by any license above that which was intended under the 1962 legislation. Licensees have, in fact, already taken action to recover the additional cost in fees by increases in the price of liquor, which became effective from the 1st January, 1963.

The Bill also contains several other matters directed towards removing other anomalies which have become apparent in the administration of the Act during the past 12 months. As percentage fees are now payable in advance, it is equitable that, if a license is granted or renewed to have effect during only a specified portion of the year, such part only of the assessed annual fee as is proportionate to the period for which the license is to have effect should be payable.

It is also right that where a license ceases to operate during a year by reason of suspension, surrender, or forfeiture, a

proportionate refund of fees already paid should be made. Provision along these lines was not necessary under the Act prior to the 1962 amendments, because the fees were not then payable in advance. These matters are dealt with in clause 2.

Clauses not yet referred to deal with clubs. While the 1961 amendments altered the licensing period for hotels and other licenses north of the 26th parallel to end on the 30th June of each year, there was no corresponding amendment in regard to club licenses. The amendment in clause 5 affecting section 195 of the Act remedies this deficiency. This amendment fixes the expiry date of the certificate of registration and the licensing period for clubs as the same day, namely, the 30th June in each year. Under this clause, the court is empowered also to assess proportionate fees where a certificate of registration for a club is granted or renewed for less than a year. This brings them into line with the conditions applicable to hotels and other licenses.

The 1962 amendment in respect of club fees provided that, for the year 1963, these should be calculated on purchases for the 12 months ending the 31st August, 1963, in the case of clubs situated south of the 26th parallel. The last day of February next, preceding the date of application for renewal of registration, was the day fixed in respect of clubs situated in the north. The intention was to allow a longer period for checking returns and issuing certificates, and to alter the period of returns for clubs in the north to coincide with their altered licensing period.

The amendment came into operation too late to be effective for that year and, as a consequence, all clubs were assessed in the same manner as in previous years, namely, on the purchases for the 12 months ended the 30th September, 1962. Section 201 of the Act is amended by paragraph (a) of clause 6 to confirm the period applied for assessment of the renewals of certificates of registration for 1963. This amendment sets out also the basis on which fees shall be calculated in subsequent years, but exempts the provisions of the subsection from subsection (14) of section 73, where necessary.

Paragraph (c) of this amendment releases clubs from the necessity of lodging statutory declarations of liquors purchased in the case of applications for renewal, and provides that, as an alternative, they lodge returns of purchases similar to hotels and other licensees. In paragraph (d) there is an amendment which clarifies the court's power to assess and determine the fee payable by a club when insufficient information is given.

A new subsection to section 201 is added in paragraph (e). This amendment will permit a refund of portion of the annual

fee to be made to a club where a certificate of registration is suspended or cancelled for any reason and in the same manner as is proposed for hotels and other licenses.

It is indeed unfortunate that last year's amending Bill, which was drafted to meet the requirements of the Licensing Board and of the State Treasury, though passed by Parliament, failed in its practical application to achieve the desired results. In view of the very real impact threatening the State Treasury because of the inadequacies of the Act, there is a degree of urgency in this measure. As the Bill has, as its main substance, no object other than to rectify unexpectedly intricate developments which have transpired because of the 1962 amendments, it is commended to members for consideration and early decision.

I am informed that it would be highly desirable if the Legislative Council could, in fact, consider this Bill and pass it not later than by the end of this month. The current licensing fees have reached the stage where they have to be collected.

The Hon. F. J. S. Wise: The end of the month is tomorrow.

The Hon. A. F. GRIFFITH: That is right. I might have expected that interjection.

The Hon. H. C. Strickland: You know what happened to previous legislation that was introduced here.

The Hon. A. F. GRIFFITH: What happened to it?

The Hon. H. C. Strickland: It went out of the window.

The Hon. A. F. GRIFFITH: In the interests of the Treasury, I hope this Bill will not go out of the window.

The Hon. F. J. S. Wise: There were differences in the numbers.

The Hon. A. F. GRIFFITH: And perhaps there were differences in the circumstances. This is a question of the Treasury being able to collect these fees. I suggest it is not unreasonable that the matter should be considered, in the hope that it will be passed by the end of the month.

The Hon. F. J. S. Wise: When was it introduced in another place?

The Hon. A. F. GRIFFITH: Not very long ago. When I say that, I mean not many days ago. The Bill could be adjourned until tomorrow.

The Hon. F. J. S. Wise: I should say so!

The Hon. A. F. GRIFFITH: I am not suggesting that this is a matter that the House should be prepared to go on with immediately.

Debate adjourned, on motion by The Hon. E. M. Heenan.

## LOCAL GOVERNMENT ACT AMENDMENT BILL (No. 2)

### *In Committee*

The Deputy Chairman of Committees (The Hon. G. C. MacKinnon) in the Chair; the Hon. L. A. Logan (Minister for Local Government) in charge of the Bill.

Clauses 1 to 33 put and passed.

New clause 6—

The Hon. L. A. LOGAN: I move—

Page 3—Insert after clause 5, in lines 1 to 5, the following new clause to stand as clause 6:—

6. Section one hundred and twenty-seven of the principal Act is amended by—

(a) repealing and re-enacting subsection (5) as follows:—

(5) (a) Where the election is to fill more vacancies than one, and there are more candidates than vacancies, the Returning Officer shall count the votes in accordance with the provisions of this subsection.

(b) The figure written against the name of a candidate on each unrejected ballot paper shall be deemed to represent so many votes cast against that candidate.

(c) The Returning Officer shall count the numbers written against the name of each candidate on each unrejected ballot paper, and thereby ascertain the total number of votes cast against each candidate.

(d) Having ascertained the total number of votes cast against each candidate, the Returning Officer shall declare elected, firstly, the candidate against whom the smallest number of votes has been cast, secondly, the candidate against whom the next smallest number of votes has been cast, and shall then continue so to declare elected the candidate against whom the next smallest number of votes has been cast until he has declared sufficient candidates to fill the vacancies.

(e) If two or more candidates should have had cast against them the same number of votes, the provisions of subsections (6) and (7) shall apply, *mutatis mutandis*, to determine

which candidate or candidates shall be declared elected.

- (b) substituting for the passage "subsection (3), (4) or (5)" in line two the passage "subsection (3) or (4)".

During the second reading debate I mentioned that an amendment would appear on today's notice paper dealing with the voting system where multiple vacancies occur. I have distributed some examples of the proposed new system. I know it is not easy for members to grasp at a moment's notice exactly what the proposed new system entails. Therefore I will be quite happy to move the proposed amendment, and then report progress.

There are four local authorities out of 146 in Western Australia where the electors elect the members. The remainder of the councils are divided into wards for election purposes. There are some local authorities where multiple vacancies occur in one or two wards, and where two members have to be elected instead of one. The number of elections so affected is very small. They only occur where there are more candidates than there are vacancies.

Regarding preferential voting, problems have been created. The proposed new system will be much easier for returning officers. In effect it means that no candidate will be rejected, and when the second preference votes are counted, they will be counted at the one time. Each vote will be of value and the candidate with the lowest number of votes will be elected. Friendly societies use the number system in reverse. If there are seven candidates, the person who gets the No. 1 vote counts it as seven votes. The No. 1 vote is of greater value than No. 2, and so on.

The Hon. R. F. Hutchison: Could the Minister speak up? I cannot hear what he is saying.

The Hon. L. A. LOGAN: In effect, the person who receives the greatest number of first, second, or third preferential votes will be declared over the person who receives more than four, five, or six preferential votes. The candidate with the lowest number is declared out and the second preferences are then used. We often use the preference votes of three candidates, and we do not use the preference votes of the other candidates. That does not seem to be fair. Under the proposed new system the whole of the counting is done at the one time. Every vote is of value.

The Hon. F. J. S. Wise: It seems to be quite a simple system.

The Hon. L. A. LOGAN: One votes according to preference. The No. 1 votes are of more value than the No. 6.

The Hon. F. J. S. Wise: I presume it has been tested.

The Hon. L. A. LOGAN: I can assure the Leader of the Opposition that back in 1956 I was elected Grand Master of Manchester Unity of Western Australia under this system.

The Hon. W. F. Willesee: That creates a doubt in my mind!

The Hon. J. D. TEAHAN: The proposed amendment, at first reading, appears to be very complicated. I have discussed the amendment with the Minister. It takes a few minutes to assimilate, but it seems to be quite simple. I would, however, ask the Minister to defer consideration of it; and I understand he will do that.

The Hon. G. Bennetts: Will they have to draw for position on the ballot paper?

#### *Progress*

Progress reported and leave given to sit again, on motion by The Hon. L. A. Logan (Minister for Local Government).

### **VERMIN ACT AMENDMENT BILL**

#### *In Committee*

The Deputy Chairman of Committees (The Hon. F. R. H. Lavery) in the Chair; The Hon. L. A. Logan (Minister for Local Government) in charge of the Bill.

Clause 1 put and passed.

Clause 2: Section 102A amended—

The Hon. L. A. LOGAN: Yesterday I promised to get a legal interpretation of section 102A and the amendment thereto. I have to admit that my interpretation was somewhat astray. The fact remains, however, that it provides for a total prohibition, but it is only a total prohibition in respect of the animals or birds specified in the notice.

Members may recall that there is an amendment to section 102A (4) (d) (e) and in each case the words "any animals or birds specified in the notice" are inserted. So, when the order is published the type of bird or animal will be specified in it. Therefore, if the kangaroo is not mentioned in the order, people will be at liberty to shoot the kangaroo, or destroy it by any other means, except poisoning. The department has supplied me with this information—

It is intended that consideration will be given to the prohibition of shooting of kangaroos only when a kangaroo poisoning drive is operating.

Kangaroo poisoning is most likely to be attempted in the northern areas and seldom in the agricultural areas.

If restrictions were ever introduced during a rabbit drive, it would be because the local authority had reason to believe there was danger and would be introduced only after consultation between the local authority and the board.

Members will appreciate that the prohibition will be a total one in respect of the animals or birds specified in the order; but it is not likely to take effect unless consideration has been given to this aspect by the board and the local authority.

**The Hon. G. C. MacKINNON:** I thank the Minister for the trouble he has taken. Earlier he told me, and Mr. Willmott, about this matter; and Mr. Heitman, who is a member of the Agriculture Protection Board, was helpful in clearing up one or two points. This is one of those instances where, once the matter is pointed out, it becomes crystal clear; and now that it has been pointed out to us, we are quite happy about it. Today I met a member of the Upper Blackwood board, and he is quite happy about the situation.

Clause put and passed.

Clause 3 put and passed.

Title put and passed.

#### *Report*

Bill reported, without amendment, and the report adopted.

#### *Third Reading*

Bill read a third time, on motion by **The Hon. L. A. Logan** (Minister for Local Government), and passed.

### **KOONGAMIA-DARLINGTON RAILWAY**

#### *Reopening: Motion*

Debate resumed, from the 8th October, on the following motion by **The Hon. R. F. Hutchison**:—

That this House requests the Government urgently to consider the resumption of regular rail passenger services between Koongamia and Darlington, and the integration of such rail services with the existing omnibus service provided by the Metropolitan Transport Trust, in such a way that those residents of the district who are at present served by public omnibus services would be conveyed to the railhead at Darlington for transfer to the railway passenger service.

**THE HON. A. F. GRIFFITH** (Suburban—Minister for Mines) (5.23 p.m.): A motion similar to this was debated and defeated in another place during the sitting last week. The Government's explanation of the position was given by the Minister for Railways, under whose portfolio the problem arises. There cannot be two explanations, and it is my duty to convey the explanation to members in this House and explain the important aspects affecting the discontinuance of the portion of the railway referred to in the motion. This was a matter in which several decisions were made at Cabinet level not only by this Government but also by the previous Government.

I am obliged to oppose the motion, because if it were carried and acted upon it would be against the best interests of the district concerned and also against the best interests of the W.A. Government Railways.

The people of Darlington and surrounding areas must find it very difficult to follow the significance of the honourable member's motion. Many of the people in the hills area are fully conscious of the fact that the service was discontinued by a Labor Government and was kept discontinued in spite of repeated local representations to a Government of which the honourable member who moved the motion was a supporter.

I think it is as well that I recite the background of the discontinuation of the railway services on the Mundaring branch. They ceased on the 25th January, 1954, by Cabinet decision following an investigation by the Transport Board of the economic aspects of continuing the service. The board reported to the Minister for Transport on the 3rd November, 1953, and recommended—

That the railway service be suspended.

That all arrangements necessary be made for the running of an adequate road service for existing passengers; existing road services be allowed to cater for all goods traffic.

That if after 12 months' trial of such road transportation experience shows that it can cater adequately for the needs of the district, the railway be permanently closed.

On the 29th December, 1953, Cabinet, through the Transport Board, issued a license to the Beam Transport Ltd. to operate a passenger service between Perth and Mundaring as from the 25th January, 1954.

On the 9th May, 1953, the then Minister for Railways and Transport reported to the Premier as follows:—

It is my firm opinion that the poor financial return from this line and the fact that suitable alternative transport was available justified its closure and that it should remain closed.

The then Minister for Railways advised the commissioner on the 17th August, 1955, that the proposed legislation to close the Mundaring branch had been submitted to Cabinet which had decided not to proceed with the proposal at that time.

The question of a closure Bill was again placed before the former Minister on the 14th June, 1957, who advised that the matter was to be deferred until a later date when arrangements for co-ordinated metropolitan traffic had been finalised. Following very careful consideration of the position, the commissioner recommended



to the Minister on the 14th June, 1960, the reopening of the line as far as Koongamia as from Monday, the 4th July.

This was recommended because it was based on the operational fact that railcars could run the extra one mile from Bellevue without interfering with the established suburban services. It fitted very neatly into the amount of time available by the crew, which just permitted the railcar to go from Bellevue to Koongamia and return without cutting into the then existing services. Cabinet approved of this on the 28th June, and the service commenced to operate on the 11th July, 1960.

Further representations were made from local residents; and from time to time the commissioner examined the position at the Minister's request and had to report that it was not practicable to extend the service beyond Koongamia—an extension to Boya at one time was suggested—due to operational difficulties and expense which could not be justified in view of the very limited patronage which could be anticipated.

Also, it should be borne in mind that this would not solve all the important overall problem of improved passenger services for the hills area, generally. The fact is emphasised that any extension beyond Koongamia would be uneconomic because of the dislocation it would cause to the suburban services. It certainly could not be measured in terms of putting the track in order, and the cost of crew time during the actual operation period from, say, Koongamia to Darlington, and return.

The cost factors have to be measured in terms of—

- (a) Direct wages; overheads and other charges.
- (b) Additional equipment that would be necessary to undertake the extension of the services or the contraction of other services to make rollingstock available.
- (c) The dislocation of timetables and other operational difficulties.

The matter has been represented to the Minister for Railways in recent times by Legislative Councillors and by the member of the Legislative Assembly for the district (Mr. Dunn). On one occasion these representations included a deputation at which both The Hon. N. E. Baxter, M.L.C. and Mr. Dunn were present.

The Government has always acknowledged the passenger transport difficulties of the people living in the hills. This Government has recognised the difficult position, and the previous Government recognised it also. The reopening of this railway, wholly or in part, is not the answer to the passenger transport problem today any more than it was when the previous Government found it necessary—for the reasons I have outlined—to close the line, and when, for similar reasons, it refused to re-establish the service.

It is significant to note that the only reopening of part of the service has been by the present Government when it agreed to utilise the spare crew from Bellevue to Koongamia and return. The hills area is a widely-scattered one and has to be considered as a whole, whereas the rail system, whilst it might be of advantage to some, would not have any attraction to others. Therefore the Government's policy in surveying the whole of the area which feeds into Midland is the logical one. Progress has been made towards the establishment of a system which will give a better co-ordination of metropolitan passenger transport and also a better service to the people of the area.

As a result of the work done by a joint M.T.T.-W.A.G.R. team we are much closer towards a scheme which will progressively eliminate many of the anomalies that have developed in our metropolitan passenger transport system over a long period of years. It is not an easy problem, because even if people are offered something better than they have, there is always resistance to a change. Because of this it is the Government's intention, when the final details of phase one of the co-ordination scheme have been ironed out, to confer with the local authorities directly concerned and let them know what is proposed.

It would be most undesirable to do this prematurely, because members know the difficulties that arise when information is made public too soon and alterations are necessary following further research and experimentation. I feel sure that you, Mr. President, are personally aware of this problem because portion of this district comes within your province. I am sure you will appreciate, as other members who represent the province have appreciated, the actions which this Government and the previous Government were obliged to take.

The Hon. G. Bennetts: What condition is the railway track in at the moment?

The Hon. A. F. GRIFFITH: It is not in good condition, I believe. I do not have any first-hand knowledge that the track is in a good or bad condition, but it is sufficient to say that the track has not been used since the early closure, and it can be reasonably expected that it must have deteriorated to some extent since then.

However, I am able to indicate the broad intentions in respect of Midland in this scheme. It so happens that Midland lends itself geographically to the development of an efficient passenger terminal at which all forms of transport can be co-ordinated. This is part of what is known abroad as the rapid transit system where private and public transport meet on a properly regulated basis.

The Railways Department envisages the ultimate development of Midland to provide for ample private car parking and a sufficient number of buses, trains, taxis, etc., so that people coming in from surrounding districts to Midland or to the city, and people who are returning to their homes, can have their choice of transport. The programme envisages a number of non-stop trains from Midland to Perth, and from Perth to Midland, in peak periods. These combined with an efficient transport system, including well-regulated timetables, will improve out of sight the present transport arrangements.

Trends in overseas cities—and we can expect developments in Perth to be along the same lines—have been to develop such systems and, where possible, to attract traffic off the roads on to fast trains. When the new services operate we hope to eliminate within a fairly short period the steam passenger trains and to have faster and more suitable railcars in their place.

Likewise, we are examining the possibility of a different type of bus to operate in the hills and Swan Valley area, which will be more appropriate to the area than some of the buses that operate at present. As to whether the bus services from Midland into the hills and Swan Valley will continue to be operated by the M.T.T., or whether they will become part of the W.A.G.R. service has yet to be resolved. The final decision will be dictated by the interests of the local people, but economic considerations cannot be completely ignored.

There is one final point that I want to make which further supports the case against the reopening of the line, and that is the fact that when standardisation is completed in the Bellevue area it will be even more uneconomic, and technically difficult, to operate a rail service to Darlington.

The Hon. R. F. HUTCHISON: Now how would that be? You have the trains going up there and the line is the same.

The Hon. A. F. GRIFFITH: I merely repeat that it is considered by the Railways Department that when the standard rail gauge is completed, the reopening of the line will be more uneconomical than before. I think we have to give some credit to the people who employ themselves every day of the week on railway problems in the Railways Department, and I suggest that they might know what they are talking about.

The grading of the standard gauge railway must not be steeper than a rise of 1 ft. in 200 ft., and even though the new railway is being brought across the Great Eastern Highway at Bellevue 10 ft. below the existing road level, it will still be 7 ft. above the existing railway to Koongamia at Bellevue station. The new dual gauge, double line will be on a curve crossing the existing lines, and to retain the connection to

Koongamia it would be necessary to raise the level of the lines by 7 ft. at Bellevue and run the grading out.

It is not physically possible to take points off a curved, dual gauge, high speed track, and it would be necessary to cross the new lines with diamond crossings. Signalling arrangements to preserve safety would be extremely costly. Naturally, no plans have been prepared for such a connection, and consequently no estimate of costs is available, but a very conservative appraisal indicates that an expenditure of at least £75,000—more likely £100,000—would be necessary to provide the connection. The expenditure would most probably be much higher.

The problem does not end with the actual capital costs because, if the connection were attempted, it would impose an operating restriction on the standard gauge and the 3 ft. 6 in. gauge to Northam.

I cannot support the motion, or the view expressed on it. You Sir, will appreciate that this policy, in addition to affecting part of the district you represent, and which other members of the Central Province represent, also affects some of the people in the district I represent. Therefore, it is not easy for me to state in this House that I oppose this motion.

The Hon. R. F. HUTCHISON: I should not think it would be.

The Hon. A. F. GRIFFITH: The honourable member is spoiling a logical explanation of the situation.

The Hon. F. R. H. LAVERY: She just supported what you said.

The Hon. A. F. GRIFFITH: I know what the honourable member said. I hope the honourable member will accept the explanation given, and that she will appreciate the reality of the situation, because it is a real problem; and I repeat it is one with which not only this Government was faced, but which was faced by the previous Government which closed the line. It was prepared to take the action considered right and necessary, and subsequently the present Minister confirmed the action taken. I repeat that I cannot support the motion, and I hope it will not be agreed to by the House.

THE HON. C. R. ABBEY (Central) [4.42 p.m.]: I certainly cannot support the motion, and I feel that I should make that quite clear. It would appear to me that if this motion were supported and the line reopened, we would do the people of Darlington a great disservice.

The Hon. R. F. HUTCHISON: What about letting them decide?

The Hon. C. R. ABBEY: It is very easy, of course, to take around a petition and frighten people into accepting what is said by the person canvassing the petition. It is very easy to misrepresent the true situation.

The Hon. R. F. Hutchison: Who did that?

The Hon. C. R. ABBEY: The facts are that the Minister for Railways, for quite a long period, has indicated publicly it was the intention of the Government to provide a service which would effect a greater improvement in passenger transport than any rail service possibly could. The reason being, of course, that a rail service is restricted to one route, and could not possibly give the residents of that very hilly area an adequate service. I am not at all happy about the existing service. To me, the buses appear to be too large, and the routes they follow are unsuitable.

I sincerely hope that when further consideration is given to this matter, the Railways Department will operate the bus service. I consider that is most essential, because unless it is operated by the Railways Department there could be a clash of interests, and that, I feel, would not be in the best interests of the people concerned. I make the plea that the solution to this problem should not be hurried, but that the Minister and the Railways Department be given time to work out in a proper way the needs of the district. The decision arrived at would apply, of course, not only to that small section of the hills area, but also to the whole of it, extending as far as Roleystone, Armadale, and other surrounding districts. It appears from world-wide experience that this is a matter which we should support in full.

The proposal when put into effect will take many buses off our roads, and members will realise how important that is. The motorist knows at the present time how difficult it is to negotiate some of the road systems in this city, with the large number of buses operating over them. Undoubtedly the system envisaged is an ideal one, and will be of very great benefit to the people in the hills area.

Debate adjourned, on motion by The Hon. N. E. Baxter.

## **NOXIOUS WEEDS ACT AMENDMENT BILL**

*In Committee, etc.*

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

### **Third Reading**

Bill read a third time, on motion by The Hon. L. A. Logan (Minister for Local Government), and passed.

## **BILLS (2): ASSEMBLY'S MESSAGES**

Messages from the Assembly received and read notifying that it had agreed to the amendments made by the Council to the following Bills:—

1. Sale of Human Blood Bill.
2. Offenders Probation and Parole Bill.

## **METROPOLITAN WATER SUPPLY, SEWERAGE, AND DRAINAGE ACT AMENDMENT BILL**

### **Second Reading**

Debate resumed, from the 22nd October, on the following motion by The Hon. L. A. Logan (Minister for Local Government):—

That the Bill be now read a second time.

**THE HON. F. J. S. WISE** (North—Leader of the Opposition) (5.49 p.m.): This is another Bill which I do not like, and I wish I could yawn it off. It is a messy sort of measure, containing 159 clauses, introduced for the express purpose of changing the present method of control and management of a department which has been well served and well managed, to control by a board, mainly on the plea—given when the Bill was introduced—that it was necessary to alter the circumstances and the set-up, and give authority to a board, which is to be created, to exercise certain borrowing powers.

Those reasons, simple as they seem, are not identical with the reasons given when the Bill was introduced in another place. As I am not allowed to refer to the debates in another place I shall pass over that point with the simple comment I made.

This Bill is the same as the one introduced in another place, and contains the same controversial matters. It provides for a far-reaching alteration, and seeks to transfer what is now direct ministerial authority to a board which is only in part responsible to the Minister. In the main it is a Bill which will enable the Minister or the Government to avoid any of the odium attaching to the striking of water rates, especially the increasing of water rates. That is the principal reason for the introduction of this Bill.

The Hon. F. R. H. Lavery: What a terrible cost to the State.

The Hon. F. J. S. WISE: This Bill is designed to transfer the responsibility that has always been the responsibility of the Government throughout the years; namely, to ensure that water rates and charges levied for water did not in any way constitute an unfair tax or burden on the people for the service provided. In general, the plea that the passing of the Bill will give the people the advantages ascribed will not bear examination. When one member was speaking in this debate, by interjection it was averred that the previous Government supported and established such an entity as the State Electricity Commission, which took away certain authority from the Minister and vested in a board the powers within the appropriate law. That case is not parallel to the one with which we are dealing. It does not commence to be comparable, for the reason that when the State Electricity

Commission Statute was launched there were many authorities which had different powers, different rates, and different assets overlapping and not merging. These were brought together under one heading, under one control, and under one direction, to affect an economy.

In its combined form, the instrumentality then had a capital exceeding £50,000,000, but, in addition, it required a large amount of loan money although it was vested with borrowing powers. The very important angle stressed at that time, and which I now stress, is that, although it is awkward to have semi-governmental instrumentalities seeking money at the time the Government's loan programme is being framed for submission to the Loan Council, all moneys borrowed by the Government through the Loan Council have a contribution from the Commonwealth Government of half of the one-half per cent. sinking fund interest. If such authorities are not operating as semi-governmental instrumentalities the contribution by the Government is lost, and the loan money is not supported or contributed to.

Apart from that, let us consider again the constitution of the State Electricity Commission. In going to the loan market it finds in the present circumscribed circumstances and set-up the greatest difficulty in getting the requisite amounts; and those amounts have to be supplemented by various funds which are accessible to the Government, including money in superannuation and similar funds. If one looks at the schedules which are found in the Budget one sees the situation clearly set out.

There is no basis of comparison between the two identities—the State Electricity Commission and the water board—although they are in the one category. One is being controlled by a board, and, the other is to be controlled by a board, to serve the same purpose, but the first is a polyglot collection of instrumentalities drawn together to standardise the whole set-up.

The Bill provides for a board to replace the department which is now under the control of the Minister. The board is to consist of seven members, the chairman of which is to be appointed by the Governor for a term of seven years. Other members of the board are to include the general manager, who is to be the chief executive officer; an engineer; the Under-Treasurer or his nominee; the nominee of the Perth City Council; two nominees of the Local Government Association who shall be rate-payers and councillors of a local authority which is within the metropolitan water supply area. All of these representatives are to be appointed for a term of three years. Five members of the board will form a quorum. In addition to these appointments, a secretary is also to be appointed.

It will be found on examination that the board is to be given authority to dismiss temporary employees. I hope the position can be stated clearly by the Minister, and an assurance given by him that employees who in the past were covered by the Public Service Act, by any other Statute, by arrangements within our Statutes, or by agreement, will not have their conditions of employment or superannuation rights threatened in any way.

The Hon. L. A. Logan: They are to be safeguarded.

The Hon. F. J. S. WISE: I hope they are.

The Hon. L. A. Logan: I have checked on it, and they are to be safeguarded.

The Hon. F. J. S. WISE: The matter is not specifically clear. Then we find that the Governor may, under the provisions of the Public Service Act, appoint the general manager, the secretary, and the staff; and the responsibility rests with the board to appoint under the Public Service Act.

Well now, the word "may," legally tested, does not mean "shall" and could mean the transference from Ministerial control of the very important aspect of the well-being of a big group of public servants, quite apart from the very serious financial aspects upon which I have already touched.

I can recall—I think it was in connection with the Betting Control Board—that when it came into operation it was able to appoint people outside, and independent entirely, of the Public Service Act; and at present we have a considerable number of members of the Water Supply Department eligible for superannuation contributions and independent of the department. In so far as funds are concerned, the Government's portion of the superannuation is payable in respect of the officers. Now, if the board comes into operation it surely is to be bound to find the employer's portion of pension contributions and the like, in a similar fashion as a trading concern operates.

There is no provision that I can find in the Bill that any profits—and there should be profits—will be paid to the Treasury; and, I repeat, although it has been stated that the main reason for creating the board is to enable it to borrow moneys for its requirements and thereby make available additional loan funds, I think it will not work out that way at all. In this very restricted local money market, all of the requirements of this new board will never be found from the local money market and it will have recourse to borrow from the Treasurer, as is provided for, and be re-loaned money borrowed under the State's ordinary loan programme; and it will lose the benefit in that manner of the contribution by the Commonwealth towards the sinking fund on State loan raisings. But, if it were part and parcel of the total, it would get that advantage.

In any case, the borrowing will cost for every £1,000,000 borrowed, at least £2,500 by way of sinking fund not paid by the Commonwealth. In addition, it will be charged approximately an additional 10s. per cent., which applies to boards and local governments in regard to loan raisings. Therefore, at least £7,500 additional per annum will be chargeable on every £1,000,000 borrowed.

In looking at the Auditor-General's report, the borrowings in recent years have been of sufficient volume to bring the total loan capital to £28,659,890, having jumped since 1954-55 from £15,250,000. In short it has borrowed already £13,000,000 in seven years—nearly £2,000,000 a year—which cannot, I repeat, be raised internally, with or without the authority in this Bill. This is merely, I think, only part of the story, the real reason being that the Government is anxious to be absolved from the responsibility of striking the water rates.

*Sitting suspended from 6.6 to 7.30 p.m.*

The Hon. F. J. S. WISE: In my previous comments on this Bill I endeavoured to make it perfectly clear that no virtue at all can be claimed for it on the points so strongly pressed by the Government that it will ease the situation in regard to loan raisings, and the availability of money for schools, hospitals and the like—all things which have a place in the proper demand for moneys borrowed in ordinary loan raisings through the Loan Council.

It is impossible to conceive, in the financial structure of the State as it is at present, and the financial capacity of the State to meet the demands of borrowings of local companies, that an entity of this kind will get the response necessary for it to be financed to the extent of £2,000,000 a year. It is not borne out by the experience of the State Electricity Commission which has received from the Crown, through loan raisings, millions of pounds over the years.

So I fall back on the real reason: it is to take from ministerial responsibility the handling of what has been found to be obnoxious and difficult when costs of water to the public have to be raised. No citizen in recent years has avoided that burden and impost. It was all forecast in both Houses of Parliament in this State; we forecast what would be the effect of certain amendments that were passed two years ago, and all those forecasts have come true. Is there a member in this House who has not had complaints from the people in his province?

The Hon. L. A. Logan: I haven't.

The Hon. F. J. S. WISE: The Minister has not?

The Hon. G. Bennetts: You are a lucky man.

The Hon. F. J. S. WISE: The Minister is a very fortunate person, because he is not affected. He knows I am referring to the metropolitan sphere. In my own case the rates have gone up more than 50 per cent.

The Hon. L. A. Logan: Mine did not go up at all.

The Hon. F. J. S. WISE: Of course the Minister lives in the lush surroundings—

The Hon. L. A. Logan: I live in a good area.

The Hon. F. J. S. WISE: —of the rural regions that have all the privileges in that connection; and indeed he could have an exemption if he lived a little bit closer.

The Hon. L. A. Logan: What do you mean by "rural"? I live in Shaftesbury Avenue.

The Hon. F. J. S. WISE: Yes. The matter is a very serious one, and this board, which will be a change from the present splendidly-managed department will, I am sure, show no improvement at all in the operations of this important public utility.

During this debate we have heard members stating the case for their constituents—the case for people in the West Province, and the difficulties of the South Coogee and other people. Members have shown and illustrated the many difficulties which are cumulative and increasing, and which will not lessen when the change is made and money becomes more costly. Higher rates will have to be levied to meet the costs, and superimposed on that will be at least £10,000 or £12,000 a year which will have to be charged for administration costs. There is no avoidance of it, and it is all for the whim of the Government which desires to avoid criticism in this connection.

Whilst the department has operated under efficient administrative control, with the Minister, the under-secretary and his staff, it can be said generally to have operated profitably and efficiently. There has been no case made out on that point for this drastic change. There has been no suggestion that it will improve the operation or the efficiency of this authority.

Strenuous endeavours were made to amend this Bill in many particulars; the newspapers a week or two ago had headlines of certain occurrences in another place when some of the personnel who are to manage the board were mentioned—people who will be really extraneous to the management of the board, and who will be operating in a part-time capacity only. If my reading of the Bill is right, the present Under-Secretary for Water Supplies will be the first manager of the board. It will benefit by having the experience of such a person, even under these circumstances, but the board itself will be a group of men on a part-time basis who will take the brunt of decisions which are now made ministerially.

The rest of the claimed merit for the board is in regard to the facility to be made available to borrow money on the open market which, in my view, will involve extra costs. That cannot be denied and it cannot be avoided. Although at this point I have not put any suggested amendments on the notice paper, I hope the Minister has no intention of persisting with the Bill; because I think several aspects should be tested by proposed amendments. I oppose the measure.

**THE HON. N. E. BAXTER** (Central) [7.40 p.m.]: Although on the surface this Bill appears to provide for the setting up of a water board with borrowing powers, there is no indication of what assistance that will be to the financial position of the State in regard to reticulation in the metropolitan area and also in country districts, and there are some doubts in my mind as to the ultimate results of the proposal.

Mr. Wise has spoken of the financial aspects in connection with the setting up of the board, and the increased costs that will be incurred by the ability of the board to borrow money. There are, of course, other aspects in regard to borrowing, too, and these points have exercised my mind. One point is that under the Loan Council provisions, agreement is reached as to the amount the States may borrow each year for their own purposes and outside of Loan Council borrowings. This sum varies, or may vary, from year to year. As far as I can gather, last year the sum was something in the vicinity of £6,000,000, but in other years it has been as low as £4,000,000.

There are various authorities in this State which, with the approval of the Treasurer, can borrow certain amounts; I refer to local authorities and the S.E.C., and now we propose to establish a water board with similar borrowing powers. Although at the present time there may be sufficient money on the open market to enable these instrumentalities to borrow—and we have been assured from some quarters that there is plenty of money available because S.E.C. loans have been oversubscribed on a number of occasions, and local authorities do not have any trouble about borrowing, and therefore the water board, if established, would be in a similar position—that may not always be the case.

It sounds all very well but we have to look forward to the day when there may not be sufficient money available for all these instrumentalities to borrow what they want, and that is where the sting is in the tail of this business. If there is not sufficient money available, who is going to go short? Will it be the S.E.C., the water board, or the local authorities?

I would hate to think that the small amounts required by the local authorities would be curtailed because of the borrowing powers given to the S.E.C. and the water board. I know of an instance in the last 12 months where one authority, whose name I will not mention, was turned down in regard to a loan it wished to raise. That loan was for the sum of £170,000. So it makes one wonder, firstly, whether there is sufficient money available to be borrowed; or, secondly, whether the loan was not agreed to for a definite reason. Is the money being reserved for some specific borrowing purpose? One begins to wonder just how far we can go.

Have we reached the stage where these boards, etc., with borrowing powers are entering into competition with one another? If they are, the rates of interest will be increased. I say that because we have only to go back to the time before the Loan Council was formed to realise the chaotic circumstances that can exist. Each State entered into competitive borrowing, and the loan position became untenable and uneconomic for the States.

That position obtained until such time as the Loan Council was established to borrow money for all the Australian States, and to allocate it at the meetings of the Loan Council. In a minor way we could quite easily get back to the stage which is in force within our State. I sincerely hope we do not; and I trust the Minister can give me an answer to some of the questions I have asked, because we have been assured from certain quarters that if this water board is set up it will assist in the reticulation of water throughout the State; and, although we have not been given a concrete promise to that effect, the metropolitan water board, by borrowing, will release loan moneys which can be used in country areas for reticulation.

We are led to believe to a certain degree that there is a big possibility of this being brought about. The proof of the pudding is, of course, in the eating of it, and we have yet to see what happens when this board is set up, and the borrowing commences. We do not know, for instance, whether the metropolitan water board—when it is set up under this Bill—will in the first few years use the money it borrows to liquidate some of the debts it takes over; or whether it will provide interest and sinking fund from the money it borrows, and use the rest for reticulation. Perhaps it might find there is not enough money for it to continue with its activities, and therefore it might have to borrow more money, or call on the Government for a loan.

One wonders how far this sort of thing can go. I leave it to the Minister to answer some of the queries I have posed. I think they are vital questions, not only to the people in the metropolitan area,

but to the people in the country districts as well. As Mr. Wise said, as far as rates are concerned, the measure takes the whole thing completely out of ministerial control; and if things went awry, heaven knows what might happen to the people in the metropolitan area. There would be no control, and we would not know whether things were being run on an economic basis or not.

There are aspects in this Bill to which we must give very grave consideration before we finally pass the measure. At this stage I will not say I will not support the Bill. There are certain provisions which, perhaps, we could amend if we were given sufficient time to consider them. One particular aspect is that of introducing something similar in relation to this water board—if it comes about—as exists today in the case of the State Electricity Commission.

I refer, of course, to a contributory system of finance. We must appreciate that we still have in the metropolitan area, area which are not far distant from Perth which are in dire need of water, and which have very little chance of being provided with water now, and perhaps none at all when the water board is established, unless the whole thing is put on an economic basis, and provision made for the people to finance the scheme themselves, or be given some guarantee that they will be provided with water in that manner.

At this time I reserve my right to vote for the Bill as a whole, subject to certain amendments which I feel might improve the measure. I feel I could support it, but I also feel we should be given something clear in the way of a reply on the issues I have mentioned.

**THE HON. F. R. H. LAVERY (West)** [7.50 p.m.]: In opposing this Bill I ask the straightout question: Why is it necessary? We have, in this State, the Metropolitan Water Supply, Sewerage, and Drainage Department, the staff of which is *par excellence* from the under-secretary down. There has been the case for many years now; it is not something which merely exists today. Here and now I wish to pay tribute to this department. This is my 12th session of Parliament and all my dealings with the staff of that department in the matter of water supplies for people in my electorate have been conducted in the most cordial atmosphere, and with the utmost efficiency on the part of the staff of the department.

I have not always been successful in getting all I wanted, because of the fact that loan funds have not always been available, and because of the system under which extensions are effected. I have often had to take up with the department some most difficult questions, and at all times I have received the utmost courtesy and,

what is more, I have always been given very prompt answers. That is something we do not often get.

After all is said and done, people who are seeking water supply extensions do not want an answer five or six months later; they want to be given an answer there and then. The Water Supply Department can be proud of the quick decisions it makes. Having said that, and having the benefit of the very fine address by my leader, there is very little else for me to say except to ask: Are we, in the future, going to find ourselves in a position similar to that in which the S.E.C. is in today?

As members of Parliament, we are expected by the community to make applications for and on behalf of the people we represent, and on behalf of the shires in which we work. These applications are made for extensions of water mains or electricity supplies. If this water board that is to be set up is to be under the same type of administration as the S.E.C.—and that is what the Bill seems to provide—then we will need very great strength behind our applications if we are to obtain any benefit at all.

I know that if one requires water supplies in a certain area, it is necessary to place the economics of the scheme before the department, which then decides whether or not it can assist. Under the State Electricity Commission set-up, one has to be within 50 yards of an existing electric standard before one's application can be considered. For instance, at one time these poles, or standards, were placed four chains apart, and it was the policy of the State Electricity Commission to supply electricity only if the property in question was within two poles of the terminus of the existing cables.

**The Hon. N. E. Baxter:** It is three poles now.

**The Hon. F. R. H. LAVERY:** The latest information I have is that one must still be within two poles. I am very pleased to hear, however, that the distance is now three poles, which means six chains. Two poles would make the distance four chains.

As members know, the West Province is a semi-urban area in which vast new industries are springing up, and yet in places like Kwinana and Naval Base, people within six miles of Fremantle find difficulty in getting electricity, and people 14 miles from Fremantle find it almost impossible to get this amenity. We know that in the case of the Water Supply Department the people are told that they can be supplied with water if they are prepared to make a sacrifice and pay the difference between the economic price of laying the water main and the rates that will be collected therefrom. This means that when a new consumer enters the district the rates are gradually rebated. But in the case of the S.E.C. it costs some

people hundreds of pounds to be provided with power; and I am worried whether the water board will be faced with the same proposition.

After all is said and done there are two things which make for development, and the first is water. We all must drink water, whether it is fluoridated or not. We can do without electricity, although where there is no electricity there is no development. I am concerned whether, under the new set-up proposed in the Bill, the people who are not within the economic boundary will find it very difficult to secure their water supply. I oppose the Bill.

**THE HON. J. G. HISLOP** (Metropolitan) [7.57 p.m.]: I have more faith in this State than apparently other members have, because I believe these loans that are required by the new board will be met. If members look at the financial situation in Western Australia today I think they will grant me some credence in this matter. If they look at the Loan Council's contributions for this year they will find they have increased beyond those of the Commonwealth Government. This is, to a large extent, due to the fact that the public is minding its money very carefully, having been involved in some disasters in the recent past. Ever since the credit squeeze, as we might call it, was brought in to rectify the financial structure of our country, people have been rather tending to avoid shares which have in the main remained at a low ebb, particularly in this State where the share market has remained in doubt; and the people are placing their money in what they regard as a sure investment, namely, Government or semi-Government departments.

My own view is probably a pretty harsh one, because I believe this Bill was instituted as the whole question of water and water rates was fast becoming a political football. It was becoming almost impossible to determine anything in regard to rating or the extension of water supplies unless it was met with a political reply.

I have a feeling that if there were no State Electricity Commission, the distribution of electricity would tend to enter the same field. Accordingly I can see considerable merit in the setting up of a board of this nature.

I was most interested in the remarks of Mr. Lavery, because he exemplified the reasons for such organisations as the State Electricity Commission and a water board. I can throw my mind back to the early days of the Town Planning Select Committee when it was made quite clear by the town planners, and particularly by Miss Margaret Feilman, that we were rushing to a sorry stage in our expansion within the State, because people would look for a vacant street, buy a block of land at the far end of that street, far removed from the nearest row of houses,

and then make constant agitation to the local government to produce a pathway, then a road, then the water, and then the electricity, all at a cost which this State could not afford.

If, by some means or other, we can instil into the minds of people that expansion of the suburbs must take place in an orderly manner, then it will be more economic for the State. If we do not do this, we will find ourselves in the position that has already been made clear by the Lord Mayor. We will have to build on blocks of less than a quarter acre, and we will find ourselves in the position of the older countries where the houses are cheek by jowl.

I would rather see a stabilised position than chaos which could be brought into being if all of us who desire our special wishes could achieve them at the expense of the ratepayers and of the community in general. I believe these charges will be met. All of these semigovernmental bodies in the Eastern States have inserted advertisements, which I have seen, in *The West Australian* newspaper, and they have received their contributions. Therefore, I cannot, for one moment, imagine that this proposed board will not receive the money it seeks just as, I am certain, the State Electricity Commission does from people who reside in the other parts of Australia.

There are a large number of people looking for secure avenues in which to invest, such as trustee companies and insurance companies. Would insurance companies receive 5½ per cent. from a loan of this kind, or somewhere around that?

**The Hon. L. A. Logan:** Five per cent.

**The Hon. J. G. HISLOP:** Then they would not hesitate to place their money in those loans. I know they have investments that are bringing in less than that, because they regard them as being secure, and it is their duty to keep secure the funds invested with them by their members. I have no hesitation in supporting this measure.

**THE HON. G. C. MacKINNON** (South-West) [8.4 p.m.]: I also wish to say a few words in support of this measure. It is amazing, to my mind, how a department can assume such an exemplary character, when it was only a couple of years ago that there were a number of speeches—not here, but in another place—of a very critical nature indeed that were made about that department.

**The Hon. R. Thompson:** Over the Forrestfield dispute.

**The Hon. G. C. MacKINNON:** The criticism was not actually of the department, but of the actual administration at that time in regard to an increase in the rates; and if ever anything was made a political football, most of us must agree that was on that occasion.



The Hon. F. R. H. Lavery: Rates are always a political football.

The Hon. G. C. MacKINNON: Therefore, I would say the criticism levelled by Mr. Wise is probably not so much criticism, but a very valid reason for the establishment of this board. When speeches were made night after night in one of the Houses of Parliament—speeches that made a political issue of this very question—and all sorts of aspersions were cast and all sorts of statements made, I should say that they would automatically qualify as a fairly valid reason for the creation of a board of the nature envisaged in this Bill.

Some people have a tendency in their minds to regard the activities of institutions responsible for the extension of water supplies and electricity supplies as extensions of social services. Some people expect the Government to extend water, power, or whatever service it might be, at a loss, in order to make their lives more comfortable.

The Hon. R. F. Hutchison: Isn't that fair?

The Hon. G. C. MacKINNON: I am not arguing whether it is fair or not. I am merely stating that this happens, with the result that as this attitude extends, the department makes an increasing loss. Mrs. Hutchison asked if I considered that to be fair. I consider it to be a method of financing social services, and it is therefore unfair. It has long been my contention that if a particular department is called upon to extend a service which, by its very nature, can be regarded as a social service, then the finance should be made available by the Department of Social Services.

For example, let me instance the State Housing Commission. Under some circumstances the State Housing Commission will give a subsidised rental, and this, by its very nature, constitutes a social service in that a pensioner on a reduced income is allowed to pay a proportionate rental. That loss is borne by the State Housing Commission. As a matter of pure accountancy I consider this is wrong and that it falsifies the figures of the State Housing Commission, or whatever department might be involved. It does not reflect the true position. In this example—I am referring to housing—the State Housing Commission should charge the full rental and the subsidy should be paid by a special department set up and known as the social services department or the amelioration fund department, or any other name.

I have given that explanation in answer to Mrs. Hutchison's interjection because, whilst I am not prepared to argue whether or not these various departments should be used as a back-door method of social amelioration, I will argue whether or not the financial burden should be borne by the department, as it so often is.

Dr. Hislop has instanced the very early problem which local governments had to cope with—some to the point of bankruptcy—whereby isolated areas were settled and services had to be extended. The people concerned suffered some hardship because they had no water, so political pressure was brought to bear and the water was extended at a loss. If one is prepared to classify that as a social service—as I do—then the financial burden should not be borne by the department or a local authority. But political pressure can be brought to bear. Members are jealous of their seats—and rightly so—and pressure is brought to bear, moves are made, and these things happen.

The Hon. F. R. H. Lavery: There was a very good exhibition of that in the Darling Range electorate.

The Hon. G. C. MacKINNON: A good example can be given in a great number of cases. As a matter of fact, probably the classic example was when people in another part of the State complained very loudly some years ago. The party which complained about the Forrestfield decision was on the other side on that occasion. Its political opponents were doing the complaining on that occasion. However, that was forgotten at the time of the Forrestfield election. Be that as it may, no Government is immune from this type of thing. By the very nature of it, no Government can be immune; and it is for this reason, if for no other, that a board of the proposed type is worthy of consideration. The whole position will be removed automatically from any doubts that might arise in the minds of certain sections in regard to some actions that have to be taken. Certain things do happen in the normal course of events, but because they coincide with other events, they are automatically given a sinister connotation which is out of keeping with the true position and out of accord with the character of the people involved. However, this happens in politics. I suppose it is quite legitimate for people of opposing political beliefs to fasten on to these things and make mountains out of molehills.

The Hon. R. F. Hutchison: What mountains out of what molehills?

The Hon. G. C. MacKINNON: I do not think this is the time and place to enter into a long discussion in regard to what mountains out of what molehills. But I have seen camouflage built up to terrific proportions in this House. I suppose it depends on one's point of view just what does constitute a mountain in a particular circumstance and just what does constitute a molehill.

The Hon. R. F. Hutchison: I have used the words "camouflage"—

The PRESIDENT (The Hon. L. C. Diver): Order! Will the honourable member please address the Chair?

The Hon. G. C. MacKINNON: Do you mean me, Sir? I am convinced that the reasons given for the introduction of this measure are extremely sound. Indeed, the proposition is so sound that the majority of the arguments against it could, with equal facility, be used in its support, for the simple reason that every time there is any alteration or adjustment in rates, or an extension of services, it is automatic for the party in opposition to seize on the particular circumstances and build them up to their absolute maximum.

The Hon. R. F. Hutchison: My party does not do those things.

The Hon. G. C. MacKINNON: You, Sir, may not have heard the honourable member's interjection, but she said that her party does not do these things. That, of course, can be argued, because there are good grounds for it. Prior to the last adjustment, the disparity between the water rates in the various parts of the metropolitan area was far greater than it should have been. Certain parts of the metropolitan area were rated very low, and, by comparison, other parts were very high.

This may have been pure chance but, naturally enough, much political capital was made out of it. These things tend to happen when a department, particularly one of this type, is under political control. So, it is not altogether true to say that from our point of view, the honourable member's party does not do these things, because one can point to instances out of which a case can be made. A matter as vital and urgent as water is to this community should, so far as possible, be managed by a board as is envisaged in this Bill.

We have something like over 30 per cent. of the land space of Australia and something like 8 per cent. of the known water resources. I say "known water resources" because we do not know what the future will bring upon us. All sorts of things may, in the near future, change the circumstances. But under the present circumstances, as I see them, I have no hesitation in supporting the Bill.

Debate adjourned, on motion by The Hon. F. D. Willmott.

*House adjourned at 8.16 p.m.*

# Legislative Assembly

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