indicate whether the commission will comprise a large number of officers, and will it operate as a department?

I want to make this point: Does the Minister expect a large number of officers to be engaged, because the commission will be required to undertake investigations, inspections, and prosecutions? Alternatively, is it the idea that the commission will comprise a small number of officers, and if required the services of other people can be called on to give advice?

Before I conclude I would like to ask the Minister also whether it is the intention that the commission be responsible for prosecuting people in every respect.

Mr. May: No, only what is contained in the Bill.

Mr. NALDER: Can the Minister give some indication as to the number of people who will be involved with the commission?

Mr. MAY: Firstly I would like to say that we have already seconded several officers from various departments to provide the necessary machinery to get this legislation off the ground pending the appointment of the commissioner. We will not be appointing any other officers until he has arrived in the State and had a look at the situation. We will then have the benefit of his wealth of knowledge and experience.

Initially an office will be provided in the Terrace. He will appoint the officers he feels essential for the investigations of the commission, but specialised officers will be appointed to look into marketing, pipelines, coal, drilling at Collie, and offshore development.

Mr. Nalder: Won't this result in duplication? Surely you will not have someone drilling in Collie when the Mines Department—

Mr. MAY: It is not the duty of the commission to drill but to ascertain the resources.

Mr. Nalder: In this particular case they will request the Mines Department for this information?

Mr. MAY: They will get the information from the departments already established.

Clause put and passed.

Clause 9: Powers of the Commission—

Mr. NALDER: Subclause (2) substantiates what I said earlier; that is, that the commission would have the power and authority to co-opt any officer or person it required. I repeat that I do not believe it necessary to establish a council in the early stages of the operation of the commission. The Bill contains a tremendous amount of detail concerning the council and in my opinion the Government is wasting time. If it is felt a council is necessary in, say, five years' time, then that would be the time to establish one. I repeat that any officer from any department can be seconded; and that industry would be only too eager to assist the commission in its inquiries.

Progress

Progress reported and leave given to sit again, on motion by Mr. McIver.

House adjourned at 10.37 p.m.

Legislative Council

Wednesday, the 16th August, 1972

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

QUESTIONS (21): ON NOTICE

1. NATURAL GAS

Cost to Consumers

The Hon. R. THOMPSON, to the Leader of the House:

(1) What is the price per unit of Natural Gas being supplied to consumers by—

(a) State Electricity Commission.

(b) Fremantle Gas and Coke Company?

(2) Has the Government considered the purchase of the Fremantle Gas and Coke Company?

(3) What would be the cost of absorbing this company into the State Electricity Commission?

(4) Is it considered equitable that consumers serviced by the Fremantle Gas and Coke Company should pay more for the same commodity than their Perth counterparts?

The Hon. W. F. WILLESEE replied:

(1) (a) and (b) Tariffs from the State Electricity Commission and the Fremantle Gas and Coke Company are Tabled herewith.

(2) Yes.

(3) Updated information is not available.

(4) Charges paid for gas in the Fremantle area are reasonable when the conditions of public company supply are taken into account.

It is beyond the financial capacity of the Government to change these conditions at this stage.

The tariffs were tabled. (See Paper No. 234.)

2. STATE GOVERNMENT INSURANCE OFFICE

Fields of Operation

The Hon. A. F. GRIFFITH, to the Leader of the House:

(1) In connection with the report which appeared in *The West Australian* dated the 14th August, 1972, what action does the Minister for Labour contemplate when he said that action would have to be taken in the near future to ensure that the State Government Insurance Office remained a viable proposition?

(2) What fields of operation are private groups of insurance companies moving into to the detriment of the State Government Insurance Office?

(3) What were the overall surpluses received by the State Government Insurance Office for each of the last 10 years?

The Hon. W. F. WILLESEE replied:

This is a lengthy answer, but I think it should be read.

The Minister advises as follows:

(1) I am not aware of any report appearing in *The West Australian* on 14th August, 1972, but I presume the report referred to is the one appearing on Friday, 11th August, 1972.

I was talking about two different matters. There is no problem and no action is needed in the insurance activities conducted under the State Government Insurance Office Act. Their operations are protected by very adequate reserves in excess of $7m. and the Office is in a very sound financial position to continue to operate for the benefit of the public in its limited field of operations. The operations under the Act are not in question and the public who are clients of S.G.I.O. are secure and well backed by large reserves invested in sound securities.

The area of operations of the S.G.I.O. into which private Companies are encroaching is the Government business conducted through the Fire, Marine & General Insurance Fund. This is a Treasury Fund, established for the purpose of providing insurance for Government property and other interests without the necessity for Departments to seek this cover from the open market. In effect the Government is largely a self-insurer as are many other big business undertakings. The Fund is administered for the Treasury by the State Government Insurance Office, but it does not form part of the insurance business of the Office as authorised by the State Government Insurance Office Act.

For the Fund to remain a viable proposition, it is essential that the bulk of the Government's insurance requirements are effected through it otherwise there would be insufficient premium income to sustain it as an economic proposition. There has never been any compulsory requirement or direction for Governmental bodies to insure with the Fund and during the past two or three years there has been an increasing encroachment by private insurance companies through the medium of Brokers into the insurance business of the Fund. It is obvious that some private companies are prepared to go to extreme lengths in the pruning of premium rates to gain entry into the Government market. If this situation continues the good risks will go and the less attractive will stay and it may regrettably be necessary to direct all Government business to the Fund to maintain its viability which after all, is only what any other self-insurer would do.

The Hon. A. F. Griffith: The Premier thought the better word was "persuade" rather than "direct".

The Hon. W. F. WILLESEE: I will continue. However, if the S.G.I.O. were able to write this type of business for the general public, the Fund could be amalgamated with the accounts of the Office and be open to competition by all companies.

(2) The movement is in the semi-Governmental instrumentalities area, the risks of which are insured under the Government Fire, Marine & General Insurance Fund—a State Treasury Fund.

(3) The surpluses given below relate to the Trading Accounts of the Office and are taken from Taxation Assessments.

		$
1961/62	Surplus	599.430.53
1962/63	"	542,893.41
1963/64	"	281,912.57
1964/65	"	477,421.41
1965/66	"	860,439.54
1966/67	"	284,522.95
1967/68	Deficit	64,108.53
1968/69	Surplus	398,180.33
1969/70	"	448,276.64
1970/71	"	1,147,370.57

The reason for the overall deficit for the 1967/68 financial year is that deficits were incurred in both employers' indemnity and motor vehicle comprehensive underwriting accounts.

The deficit in the employers' indemnity account was due to major increases in benefits under the Workers' Compensation Act effective from December 1966. These increases had a marked effect on claims cost during 1967/68 and it was necessary to substantially increase the provisions for outstanding claims.

The motor vehicle account was affected at that time by a rise in incidents both in cost and number of claims. Premium increases were applied in December 1967 but the full benefit of the increases was not received until the 1968/69 financial year.

3. YOUTH CENTRES

Subsidies

The Hon. V. J. FERRY, to the Leader of the House:

(1) Adverting to my question on Wednesday, 9th August, 1972, does the Government intend to introduce legislation to enable the activities of the National Fitness Council and the Youth Council of W.A. to be amalgamated?

(2) If so—

(a) what are the reasons for amalgamation; and

(b) when may it be expected that the measure will be introduced into Parliament?

The Hon. W. F. WILLESEE replied:

(1) Yes.

(2) (a) The reasons will become apparent to the Hon. Member when the Bill is introduced.

(b) During the current Session.

4. PARLIAMENT HOUSE RESERVE

Fountains: Costs

The Hon. CLIVE GRIFFITHS, to the Leader of the House:

In regard to the fountains in the front of Parliament House, would the Minister advise:

(a) the total annual running cost;

(b) the total annual maintenance cost;

(c) the total amount of water consumed in the last twelve months; and

(d) the reason for its present non operation?

The Hon. W. F. WILLESEE replied:

(a) $11,200 per annum (estimated)

(b) $2,375 per annum (estimated).

(c) Supply to the fountains is not metered separately.

(d) The fountains have been shut down to enable certain modifications to be carried out which will considerably improve their appearance; namely, modulated operation of the fountains and minor alterations to the gargoyles to produce a much softer flow of water. These modifications will be completed before the visit of H.R.H. Princess Margaret.

Notes:

(a) The operating and maintenance costs are estimated, as figures are not separated specifically in relation to the fountains from other similar expenses occurring at Parliament House. These costs are not inclusive of cleaning carried out by Parliament House grounds' staff.

(b) The water consumption is estimated at 750,000 gallons. This is the result of losses to evaporation and windage.

5. PRISONS

Classification of Films

The Hon. D. J. WORDSWORTH, to the Chief Secretary:

In view of the crimes committed by some of the inmates of the W.A. prisons, and the violence which occurs from time to time, would the Minister inform the House—

(a) The classification of the films allowed to be shown at the prisons;

(b) If the prisoners are divided into groups suitable for the type of film being shown;

(c) how the films are selected; and

(d) the films shown over the last six months?

The Hon. R. H. C. STUBBS replied:

(a) to (d) This information is not readily available from the Department of Corrections' fourteen institutions. However, an endeavour will be made to obtain this information and provide it for the Hon. Member.

6. FRUIT FLY

Baiting Schemes: Charges

The Hon. F. D. WILLMOTT, to the Leader of the House:

Will the Minister supply a list of the charges levied on;

(a) commercial orchards; and

(b) non commercial growers,

by each of the Fruit Fly Foliage Baiting Schemes at present operating in Western Australia?

The Hon. W. F. WILLESEE replied:

A list of charges levied is submitted for Tabling.

The list was tabled. (See Paper No. 235.)

7. TRAFFIC SAFETY

Report of Superintendent Monck

The Hon. F. R. WHITE, to the Minister for Police:

(1) Has Superintendent Monck submitted a written report to the Minister on his recent overseas tour?

(2) If so, would the Minister agree to the Tabling of this report?

(3) Have any other reports making recommendations for Traffic Safety been presented by Superintendent Monck, and if so will these be Tabled?

The Hon. J. DOLAN replied:

(1) No.

(2) Answered by (1).

(3) A preliminary report on the question of medical examination of drivers has been submitted to me and is currently under consideration.

It is understood another preliminary report has been submitted to the Hon. Premier for the consideration of the Hon. Minister for Traffic Safety, who has formed a committee to consider the proposals. Superintendent Monck is a departmental representative on the committee.

Superintendent Monck's complete report on his overseas tour is at present being compiled and will be Tabled at the appropriate time.

8. RAILWAYS

Closure of Gnowangerup Line

The Hon. D. J. WORDSWORTH, to the Minister for Railways:

(1) Has the Gnowangerup Shire requested that the Gnowangerup railway line be closed, and the Knox Plan be implemented?

(2) Is the Minister aware that a public meeting of 46 representatives of the farming and business community voted unanimously on 31st May for its implementation?

The Hon. J. DOLAN replied:

(1) Yes.

(2) Yes.

9. EDUCATION

Youth Education Officers

The Hon. V. J. FERRY, to the Leader of the House:

(1) On what basis are Youth Education Officers employed with the Education Department?

(2) (a) How many Youth Education Officers are employed throughout the State; and

(b) in what areas do they operate?

(3) What is the Government's policy in respect to this work?

(4) (a) Is the Government contemplating any changes in this area of education; and

(b) if so, what changes may be expected?

The Hon. W. F. WILLESEE replied:

(1) Teachers with special interests and qualifications are seconded to the Youth Education Branch.

(2) (a) 14.

(b) Youth Education Officers are attached to the following Senior High Schools:—

Armadale, Belmont, Cannington, Fremantle, Melville, Mirrabooka, Midland, Mount Lawley, Scarborough, Kalamunda, Albany, Busselton, Bunbury, Manjimup.

(3) The Government recognises Youth Education as being an essential aspect of a total education programme. In making appointments according to available teachers, preference is given to centres where there appears to be most need and where the community has shown itself prepared to assist.

(4) (a) and (b) Government policy is one of continued expansion and consolidation of this work.

10. CATTLE

Brucellosis Control: Funds

The Hon. C. R. ABBEY, to the Leader of the House:

(1) Regarding his statement on the eradication and control of Brucellosis in the debate on the Supply Bill, will the Minister please clarify that portion of his statement

which reads—"The Commonwealth Government indicated it was unwilling to modify the present arrangements which are based on a matching of the State effort"?

(2) Does this mean that if the producer levy was raised to the maximum allowable under the Stamp Act of 50 cents, and this amount was matched by the Western Australian Government, thus providing an approximate sum of $400,000 for Brucellosis control, that the Commonwealth will then contribute a like amount, making a total of $800,000 each year to tackle this very serious problem?

The Hon. W. F. WILLESEE replied:

(1) The statement referred to the Commonwealth insisting on a dollar-for-dollar contribution.

(2) Although an increase in producer levy, enabling a significant rise in income to the CICA fund, would in turn extend the ability to meet compensation payments, such increases would not attract Commonwealth Funds since compensation money has been excluded from matching grants.

11. PASTORAL LEASES

Rentals

The Hon. W. R. WITHERS, to the Leader of the House:

(1) Who are the lessees of the pastoral properties in the East Kimberley Shire?

(2) What amounts will be paid by each station under the new regulation?

The Hon. W. F. WILLESEE replied:

(1) and (2) A schedule showing the information requested, is submitted for Tabling.

The schedule was tabled. (See Paper No. 236.)

12. OFFSHORE MINING

Federal-State Action

The Hon. A. F. GRIFFITH, to the Leader of the House:

(1) Has he read the article in today's issue of *The West Australian* headed "Labor will back Gorton Sea-Bill"?

(2) Does it not cause his Government great concern and dismay to see the combined efforts of the present State Government and the previous State Government to bring about a satisfactory conclusion to one of the country's most difficult problems undermined by a process of political gimmickry being employed by the Federal Australian Labor Party?

(3) Will he please communicate with the Leader of the Opposition in the Federal Parliament and inform him that the Western Australian Government has rightly seen fit to join with other State Governments of Australia in continued efforts to reach agreement with the Commonwealth Government on the question of the offshore problem, and that the Federal Australian Labor Party's actions appear likely to prejudice the rights and welfare of the States?

The Hon. W. F. WILLESEE replied:

(1) Yes.

(2) It is not the view of the Government that the decision of the Federal Labor Party to support the Bill introduced by a former Prime Minister and Leader of the Liberal Party, is a process of political gimmickry. The Government will watch with interest the outcome of the alliance.

(3) The Federal Leader of the Opposition is aware of the Government's attitude on the matter in question.

13. ROADS

Walpole District

The Hon. V. J. FERRY, to the Leader of the House:

(1) Are there any plans to provide road access from Walpole to the nearby coast at points known as—

(a) the Peppermints; or

(b) any other places?

(2) If so—

(a) at what stage has planning reached;

(b) what is the involvement of:—

(i) Manjimup Shire Council;

(ii) National Parks Board;

(iii) Harbour and Light Department;

(iv) Lands Department; or

(v) any other department or body?

(3) Has any of this work been programmed?

(4) If so, what are the details?

The Hon. W. F. WILLESEE replied:

(1) (a) and (b) The Main Roads Department has no plans for the provision of a road from Walpole to the nearby coast.

(2) Answered by (1).

(3) No.

(4) Answered by (3).

14. ROEBOURNE SHIRE

Dog Pound

The Hon. W. R. WITHERS, to the Minister for Local Government:

Because of the financial strain of rapid expansion in the Roebourne Shire, and its associated problems of having many transients leaving dogs in the townships within the Shire, will the Minister consider providing financial assistance for the Shire to establish a dog pound and employ a dog catcher?

The Hon. R. H. C. STUBBS replied:

No, this is a municipal responsibility.

15. LAND

Building Blocks at Walpole

The Hon. V. J. FERRY, to the Leader of the House:

(1) Is it the intention of the Government to make more town lots at Walpole available to the public?

(2) Has the Government received a recent proposition from the Manjimup Shire Council for the release of building blocks in the Walpole Township?

(3) If so, what is the proposition and what is the attitude of the Government to the proposals?

The Hon. W. F. WILLESEE replied:

(1) This will be considered when a demand is shown to exist and the Shire Council was requested on 7th April to forward such evidence.

(2) Yes.

(3) That Council purchase the land and act as a sub-divider by supplying all amenities then selling the land. The Department's attitude has not been determined.

16. ORD IRRIGATION SCHEME

Hooker Development Corporation

The Hon. W. R. WITHERS, to the Leader of the House:

(1) What part is the Hooker Development Corporation playing in the research and development of the Ord Scheme?

(2) What is the total financial involvement in the East Kimberley area?

(3) How many men does this company and its subsidiaries employ in the East Kimberley area?

(4) Has the Government given any decision recently that might jeopardise the involvement of this company in the State's development?

The Hon. W. F. WILLESEE replied:

(1) In 1969 a Consortium of Hooker Pastoral Co., Hawaiian Agronomics Co. and Mitsui Co. engaged the New England University (New South Wales) to undertake an extended research programme on the "Pilot Farm" of 2,400 acres at Kununurra. It is understood that negotiations were for a 5-year period and the terms of reference involved research relating to the commercial growing of grain sorghum and other crops in the Ord Irrigation area.

The research and development of the Ord Scheme has been complementary to the research work at Kimberley Research Station and has been of considerable value to the present time.

The State has contributed $35,000 towards this commercial research programme on the understanding that full research data will be made available to the State.

(2) It is understood that their total enterprise on "Pilot Farm", including research, has involved the Consortium in an expenditure in excess of $750,000 up to the present time.

The Company also is very active on its pastoral properties in the East Kimberleys.

(3) Twenty (20) men are employed on the "Pilot Farm" area but the number of employees on the pastoral properties is not known.

(4) No.

17. WALPOLE INLET

Dredging

The Hon. V. J. FERRY, to the Leader of the House:

(1) Has approval been given for dredging of a channel in Walpole Inlet to give safe access?

(2) (a) Has the matter been referred to the Environmental Protection Council; and

(b) if so, what has been the determination of the Council?

(3) (a) When may it be expected that dredging will commence;

(b) what is the anticipated cost;

(c) how will the cost be borne; and

(d) how long is the work expected to take before completion?

The Hon. W. F. WILLESEE replied:

(1) Yes.

(2) (a) Yes.

(b) The dredging has been approved by the Minister for Environmental Protection.

(3) (a) July 1973.
(b) $45,000.
(c) Consolidated Revenue Funds.
(d) Six (6) months.

18. ORD IRRIGATION SCHEME

Land Usage

The Hon. W. R. WITHERS, to the Leader of the House:

(1) What are the proposed plans for the future development of lands under the Ord Irrigation Scheme?

(2) In what order are these projects to be undertaken?

(3) When will each phase of development commence?

(4) What will be the development cost in each phase, to—
(a) the individual developers;
(b) the State Government; and
(c) the Commonwealth Government?

(5) What was the last announcement date of a commercial development phase that actually commenced as a commercial development in the Ord Scheme?

The Hon. W. F. WILLESEE replied:

(1) An approach has been made to the Commonwealth Government for approval to release 5,000 acres of land on Packsaddle Plain and 2,800 acres of previously unallocated land adjoining existing farms on Ivanhoe Plains. Early agreement by the Commonwealth is expected.

Development plans for Weaber Plains and Carlton Plains are deferred for the time being but surveys and investigations preparatory to final designs are proceeding. Agricultural research with particular reference to cotton, grain sorghum and ground nuts is being intensified to provide basic information to allow planning to continue in these areas.

(2) Construction works necessary for the development of Packsaddle Plain and the new lands in Ivanhoe Plains will commence during 1972-73.

Priority is being given to the planning for development of the Carlton Plains when present works are completed.

The pattern of development of Weaber Plains will be dependent on the agricultural findings from current research work.

(3) With the exception of the present development plans for Packsaddle Plain and the new lands in Ivanhoe Plains, firm dates have not been determined.

(4) (a) The individual developer will be expected to meet the full cost of land clearing, land preparation and cropping of his own farm. Additionally there will be a capital cost (still to be determined) for land allocated to him.

(b) Nil, but the State Government may be involved in expanded assistance related to disabilities of the Kimberley area, if cotton is grown on the lands to be released.

(c) The Commonwealth Government will make available $1.3m for the provision of services to these lands.

(5) 30th June, 1972, when the Minister for Development announced the State Cabinet decision to release lands in the Packsaddle and Ivanhoe Plains.

19. HEALTH

Walpole Medical Centre

The Hon. V. J. FERRY, to the Leader of the House:

(1) Has a firm decision been made for the establishment of a medical centre to be conducted by the Silver Chain Nursing Association (Inc.) Walpole?

(2) (a) Has a suitable site been obtained for the establishment of the medical centre; and
(b) if so, what is the lot number and location?

(3) Before building can commence—
(a) will it be necessary to have a fresh land survey carried out by a licensed surveyor;
(b) are there any other requirements to be met;
(c) what arrangements have been or are required to be made with the Manjimup Shire Council; and
(d) when may it be anticipated that the medical centre will be operative?

The Hon. W. F. WILLESEE replied:

(1) Yes.

(2) (a) A site has been selected and is in the hands of the Lands Department.
(b) Lot 17, Walpole.

(3) (a) No survey, apart from the Lands Department, is envisaged.
(b) There are many requirements to be met in various areas. If the question could be more specific an answer will be given. In general, it can be

said that the Post will be conducted in the same way and under the same conditions as other Posts conducted by the Silver Chain Nursing Association.

(c) Manjimup Shire has approved in principle and there should be no difficulties in that regard.

(d) Towards the end of this financial year.

20. HOSPITAL

Busselton: Establishment

The Hon. V. J. FERRY, to the Leader of the House:

(1) At what stage has planning reached in providing a new hospital at Busselton?

(2) Have funds been provided for construction to commence this financial year?

The Hon. W. F. WILLESEE replied:

(1) Preliminary planning is proceeding. Sketches showing the approximate size and location of the building have been approved and sketch plans of area layouts are in the course of preparation.

(2) This information cannot be given until the Loan programme is determined.

21. POLICE

Inquiry: Press Report

The Hon. A. F. GRIFFITH, to the Minister for Police:

(1) What was the reaction of the Minister to the Press article which appeared in yesterday's issue of *The West Australian* which reported that the State Executive of the A.L.P. will seek an inquiry pertaining to certain conditions in the West Australian Police Force?

(2) Is he not disappointed at the insinuation contained in the article which suggests that perhaps the right type of men are not joining the Police Force and that present training methods are not achieving a desired standard enabling the police to deal with their duties efficiently without antagonising the public? which I believe is not the case.

(3) Does he intend to agree to the inquiry?

(4) Is there any other comment he considers he should make?

The Hon. J. DOLAN replied:

(1) to (4) Several other inquiries regarding the newspaper article mentioned by the Hon. Member have been directed to me and my reply has been that Ministerial decisions are not made as a result of newspaper articles or the insinuations that others may derive from them. On receipt of a written submission for an inquiry, as suggested in the newspaper article, the matter will be referred to the Government for decision.

COMMONWEALTH CONSTITUTION CONVENTION

Appointment of Delegates—Request for Council's Participation: Assembly's Message

Message from the Assembly as follows now considered:—

The Legislative Assembly having this day agreed to certain resolutions concerning the Parliament of this State joining with other Parliaments of the Commonwealth of Australia in a Convention to review the operation of the Constitution of the Commonwealth of Australia, transmits a copy of the resolutions in the schedule annexed.

The Legislative Assembly requests that the Legislative Council will consider its participation in the proposed Convention and appoint members in accordance with the resolutions contained herein to act with the seven (7) Members of this House who have been so appointed.

The Schedule.

Whereas it has been proposed that a Convention comprising delegates appointed respectively by each Parliament within the Commonwealth of Australia should be constituted to review the operation of the Constitution of the Commonwealth of Australia and to propose such amendments to that Constitution as the Convention thinks fit;

And whereas it is desirable that the Legislative Assembly of the Parliament of Western Australia should by resolution declare its will on the proposal to constitute the Convention and make such decisions consequent thereupon as may seem appropriate:

Now therefore the Legislative Assembly doth resolve and declare its readiness to participate in the proposed Convention, and further resolves:

1. That for the purposes of the proposed Convention—

(a) a delegation consisting of twelve members of the Parliament of Western Australia should be appointed, of whom

seven shall be appointed by the Legislative Assembly, and five by the Legislative Council;

(b) the seven members appointed by the Legislative Assembly shall comprise four members from the Australian Labor Party, two members from the Liberal Party and one member from the Country Party; and

(c) the five members appointed by the Legislative Council shall comprise two members from the Australian Labor Party, two members from the Liberal Party and one member from the Country Party;

2. That each appointed member of the delegation shall continue as an appointed member while a member of the Parliament of Western Australia or until the House of Parliament by which he has been appointed otherwise determines;

3. That the seven members appointed by the Legislative Assembly shall be—

The Hon. J. T. Tonkin
The Hon. H. E. Graham
The Hon. T. D. Evans
The Hon. C. J. Jamieson
The Hon. Sir Charles Court
The Hon. D. H. O'Neil
Mr. W. A. Manning;

4. That the Hon. J. T. Tonkin be Leader of the delegation, and the Hon. Sir Charles Court be Deputy-Leader;

5. That where, because of illness or other cause, a member is unable to attend a meeting of the proposed Convention the leader of the party from which that member is drawn may appoint an alternate member, and the member so appointed shall be a member of the delegation for that meeting.

6. That the Leader, from time to time, make a report to the Legislative Council and the Legislative Assembly respectively of such information and matters arising out of the proposed Convention as he thinks fit, and such report shall be laid on the Table of each House of Parliament.

7. That the Honourable the Attorney-General provide such assistance to the delegation as it may require.

8. That the Leader and Deputy Leader of the delegation, or their respective nominees, be appointed to represent the delegation on the Convention's Steering Committee.

9. That the Legislative Council be invited to resolve and declare its readiness to participate in the proposed Convention on the basis outlined in the foregoing resolutions and to appoint five members of the delegation as provided therein.

10. That the Honourable the Premier inform the Government of each other State of the Commonwealth, and of the Commonwealth of this resolution.

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the House) [5.10 p.m.]: I move—

WHEREAS it has been proposed that a Convention comprising delegates appointed respectively by each Parliament within the Commonwealth of Australia should be constituted to review the operation of the Constitution of the Commonwealth of Australia and to propose such amendments to that Constitution as the Convention thinks fit;

AND WHEREAS the Legislative Assembly has resolved and declared its readiness to participate in the proposed Convention and has invited the Legislative Council to declare likewise and to appoint on the basis outlined in the said resolution five members to the delegation to represent the Parliament of Western Australia:

NOW THEREFORE the Legislative Council doth resolve and declare its readiness to participate in the proposed Convention, and further resolves:

1. to appoint the following members to represent the Parliament, namely—

The Hon. W. F. Willesee
The Hon. R. Thompson
The Hon. A. F. Griffith
The Hon. I. G. Medcalf
The Hon. L. A. Logan

2. to inform the Legislative Assembly of these resolutions and authorise the Honourable the Premier to inform the Government of each other State of the Commonwealth, and of the Commonwealth of the same.

Mr. President, members are aware of the proposals emanating from the Victorian Parliament in December of last year for a convention of the States to consider the question of amendments to the Commonwealth Constitution. It is significant to recall that this proposal was conveyed by letter from Sir Henry Bolte to the Premiers of each of the other States. The proposal was embodied in resolutions adopted without dissent in both Houses of the Victorian Parliament. At that time the State Premiers agreed that the respective State Governments would be represented at a steering committee meeting which was planned to be held in Melbourne on the 25th February of this year. Since then the proposal has been the subject of discussions and correspondence between the Premier (Sir Henry Bolte) and the Attorney-General (Sir George Reid) of Victoria and the Government and Opposition leaders in all States.

The terms of the resolutions now before this Chamber are in similar terms to the resolutions which have been carried by the Victorian and New South Wales Parliaments. Meetings of the Attorneys-General of the six States of Australia have been held, the first being at Melbourne, as I mentioned, on the 25th February, to consider the establishment of the proposed convention. As a result of these meetings, recommendations—and it is emphasised, recommendations and recommendations only—were made to the respective State Governments that the delegations from the States should consist of influential members of Parliament who would be representative of all parties and indeed, as far as possible, representative of all shades of political thought within the particular Parliament.

It was further recommended that the delegations should consist of not more than 12 members and that the Commonwealth Parliament be invited to express its views as to whether it should participate in the convention, and if so on what terms.

Since the proposal was mooted, a significant decision was made by all parties represented in the Commonwealth Parliament. They agreed that the Commonwealth should, and indeed would, participate. Consequently, at the last meeting of the Attorneys-General which was held in Queensland on the 12th July last, the Commonwealth was represented at a steering committee meeting of the State Attorneys-General by the Commonwealth Attorney General, Senator Greenwood.

Satisfactory progress has been made regarding arrangements for the first meeting of the convention which is proposed to be held in Albury early in 1973.

Victoria, as the initiating State, has accepted the major responsibility of setting up the secretariat necessary for the successful functioning of the convention. The Commonwealth and the States will contribute to the cost of maintaining the secretariat and for conducting and holding the convention.

There is no need to remind members of the importance of the motion now before the House. Whilst there may possibly be some divergence of views between members on the matters which will be discussed at the convention, I am sure there will be general acceptance of the need to hold such a meeting.

The end results will, without doubt, have far-reaching effects on the future of Australia as a Federation, and indeed, for Australia as a nation. It must be assumed that the Commonwealth Government's, and indeed, the Commonwealth Parliament's decision, to participate in the proceedings, is a very earnest indication of the Commonwealth Parliament's opinion of the need to review the Constitution which has stood now for some 70 years.

We must be quite candid and admit that the project is not likely to be a short-term one, and to succeed we require an understanding of the views of a diversity of interests. The final results, however, must reflect the opinion acceptable to all or at least to the majority of delegates.

Any proposed changes recommended by the convention will have to be placed before the people of Australia in the ultimate, so that we must aim at the greatest possible degree of unanimity. With this end in view, it has been recommended by the Attorneys-General that equal representation should be made available to Government and Opposition members as far as possible, having regard for the earlier recommendation that the representative delegates should be chosen to reflect all political shades within a particular parliament.

Membership of delegates, pursuant to the earlier recommendation, is to be limited to parliamentarians. The question of the inclusion of other sections of the community was exhaustively examined and debated by the Attorneys-General who were ultimately of the firm opinion that the admittance of other persons as delegates with full voting rights would lead to some difficulties.

I assume that the State of New South Wales may have been aware of at least anticipated representation from the new State movement. New South Wales probably felt that the inclusion of delegates who were not members of Parliament

would make it difficult to counter moves from those interested in forming new States.

It is considered essential that the number of delegates should be kept to a manageable size and this would seem to be impossible if any enlargement of representation were granted. The Attorneys-General recommended 12 delegates from each State and at the last meeting held in Queensland the Commonwealth indicated through Senator Greenwood that the Commonwealth Parliament would be satisfied with a representation of 15 delegates. This was acceptable to the State Attorneys-General, and on reflection, members will agree that this is a most reasonable attitude on the part of the Commonwealth, having regard for the need to reflect the various shades of political thought. However, consideration is being given to the possibility of granting observer status to some organisations, and the local government authorities throughout Australia readily spring to mind in this context.

Again, organisations such as chambers of manufactures and commerce, and trade unions may also consider that there are matters which they should put before the convention. Such matters could be put forward through the avenue of the representatives appointed by the various Parliaments which are responsible for the well-being of all members of their respective communities.

I come now to the point that it is proposed, if this House adopts this resolution, that two of the delegates thus appointed will meet with two delegates from each of the other States, together with four delegates from the Commonwealth Parliament, at an initial meeting to be held in Adelaide on the 5th and 6th October next. At this meeting several questions will be determined by those delegates.

The steering committee which was previously constituted by the Attorneys-General has, it is felt, exhausted its efforts in providing certain guidelines upon which and between which the Constitutional Convention can be launched, and any further decisions required to be made should be made by representatives of the delegations which will meet to form the convention early next year. The matter of granting observer status will be one of the questions the proposed special meeting of delegates will be called upon to determine in Adelaide on the 5th and 6th October, next.

I think it is reasonable to say that no explanation seems to be necessary regarding the terms of this motion. In the motion due recognition has been given to the Liberal Party and the Country Party. Provision has been made for the leader and deputy-leader of the delegation to represent the delegation on the steering committee. The resolution in another place sought to nominate the Premier as the leader of the delegation and the Leader of the Opposition in that Chamber as deputy leader.

It is opportune, however, to offer some comment on the broader aspects of the proposal to review the Commonwealth Constitution. The idea of only a Federal system of Government has been the subject of frequent discussion and many articles. However, it is apparent that no one government appears to be able satisfactorily to make laws and give decisions in the interests of all the people of the entire Australian continent. The vast area, differences of climate, and scattered population of Australia makes essential the preservation of the States as self-governing units. The development of Australia will make it difficult for a central government to give adequate attention to domestic matters whilst at the same time fulfilling its proper role in national and international matters. Government on a local level can be more responsive and can provide a better service to the immediate country.

If we look back in retrospect we find that the founders of our Constitution—which has now stood for some 70 years—would not have thought possible the progress that has been made during the comparatively short intervening period. That progress has seen Australia develop as a powerful and well respected nation. The Constitution, whilst it has served Australia well, now stands in need of review.

The Attorney-General, as a member of the steering committee of Attorneys General who met to offer these guidelines expressed the thought that "we feel that it is appropriate that this convention is to be held subsequent to the adoption of the Constitution; we feel it is propitious, timely and essential."

The great majority of essential services and the supervision of most aspects of every-day living are the responsibility of State Governments, which are required to operate under considerable difficulties occasioned by inadequate financial resources. No independent authority should be required to depend on the decision of a Federal Government in the matter of finance required for State services. This imbalance can be corrected only by a review of the financial provisions of the Constitution which enable the Commonwealth Government to play a dominant role in the field of finance. The climate is ready for a review of the system in order to provide the States with the means to obtain revenue from sources now regarded as the preserve of the Commonwealth.

No review of the Constitution will produce a satisfactory solution without examining the effect of judicial interpretation of the Constitution. The overall result has been to place the States in subordinate positions, which certainly was not visualised

when the Constitution was formulated. Although the position appears to have been resolved without recourse to the courts, members will be aware of the problems arising from the matter of defining State boundaries offshore.

Decisions of the High Court are an important factor in determining the division of responsibilities between the Commonwealth and the State. Recent decisions concerning the law in Commonwealth places emphasised the important part played by the High Court in Australia in interpreting the Commonwealth Constitution. In the matters of Worthing *versus* Rowell and Murcon—to be found in Volume 123 of the *Commonwealth Law Reports* at page 89—the Queen *versus* Phillips—to be found in Volume 44 of the *Australian Law Journal* at page 497—and Stock & Holdings Pty. Ltd.—to be found in Volume 45 of the *Australian Law Journal* —the court decided that once the Commonwealth has acquired a place for Commonwealth purposes no State law, whether enacted before or after the acquisition, applied to that place, regardless of whether or not the law was specifically aimed at the Commonwealth place.

Our State Parliament in 1970 took action in this matter by way of complementary legislation, the other States and the Commonwealth also participating. The situation arose that a person in Western Australia could have selected a place which had been acquired by the Commonwealth as a Commonwealth place and sought to establish a practice illegal by Western Australian Statute, but not prescribed as a offence pursuant to Commonwealth law. Such a person could have indulged in that practice in that Commonwealth place with immunity from interruption by any law-enforcement officer—firstly, because a Western Australian law enforcement officer would be powerless to act; and, secondly, because the practice would not be an offence pursuant to Commonwealth law. However, to some extent that matter has been satisfactorily resolved by the States and the Commonwealth adopting mirror legislation.

To emphasise the need for a review of the Constitution, I would finally draw members' attention to the decision in the Hamersley Iron case of 1969, reported in Volume 120 of the *Commonwealth Law Reports* at page 42; and the associated case of Chamberlain Industries, to be found in Volume 121 of the *Commonwealth Law Reports* at page 1, wherein the State Commissioner of Taxation in Western Australia was challenged regarding his ability and legal capacity to levy stamp duty in certain respects. In those cases the High Court decided that the tax market is reserved for the Commonwealth, and that the States cannot impose a tax which, in its practical application, is a tax on goods. The rationale of the High Court decisions was that such a tax was an excise duty, and pursuant to section 90 of the Constitution an excise duty is one which is within the exclusive jurisdiction of the Commonwealth Parliament.

Another matter which requires consideration is the use of Commonwealth powers under section 96 of the Constitution to impose conditions on some grants to the States. This must surely destroy the initiative, and, indeed, the autonomy of the States.

Surely no reference is necessary to the problems created by section 92 of the Constitution. Our forefathers certainly would not have envisaged the technological advances in fields of transport and communication, and the growth and complexities of interstate trade with consequent problems of legislative power formulated in 1900. I think it is true to say that the decisions of the High Court and the Privy Council have not assisted in making this provision work in the best interests of the States and, indeed, of the Commonwealth.

These matters have not been raised—and I emphasise this—as a criticism of the present attitude of the Commonwealth towards the States, but rather as an endeavour to show that in the years since the Constitution was formulated the climate has changed sufficiently to warrant a review. It is hoped that as a result of the deliberations at the conference a clear case will be built up to put to the electors to enable amendments to be made to the Constitution which will provide the States with a greater degree of autonomy and financial independence so that particular local needs can be satisfied by the appropriate Governments.

The day when six equal partners in the Federation are constantly faced with a shortage of ready funds, whilst the seventh member has plenty of funds, cannot be allowed to continue. It is encouraging that the Commonwealth, by its willingness to participate, appears to recognise the difficulties of the States. This augers well for the success of the convention.

I feel that only good can come from the convention, wherein it will be clearly recognised that the Constitution is one for a federation consisting of seven governments, each government having clear areas of responsibility; and wherein may be found the dignity of each of the seven governments so that each may function, according to its charge under the Constitution, as efficiently as possible.

THE HON. R. H. C. STUBBS (South-East—Minister for Local Government) [5.27 p.m.]: I second the motion.

THE HON. A. F. GRIFFITH (North Metropolitan—Leader of the Opposition) [5.28 p.m.]: I feel there is no reason why I should not immediately support the motion moved by the Leader of the House.

Correspondence has passed between the parties constituting the Parliament of Western Australia and the Premier of the State has in fact formulated ideas with the concurrence of each political party that the Parliament of Western Australia should in fact participate in the convention which, as the Minister in charge of this House has indicated to us, will take place some time next year. It now only remains for this House to concur.

The decisions which the Parliament in this State and indeed the Parliaments of other States will be called upon to make are in fact historical decisions. The Constitution of Australia has not been altered in any substantial way for a period of 70 years.

Attempts that have been made to alter the Constitution by way of a referendum have never been very successful, the reasons for which I will not endeavour to advance this afternoon.

I am very pleased indeed that the Commonwealth Government has indicated its willingness to participate in this convention. I am pleased because it was thought that the Commonwealth may be reluctant to do so. Such, however, was not the case and an opportunity is therefore given to the representatives of the Commonwealth Parliament and to those of the State Parliaments to voice their opinions on matters of importance to both the States and the Commonwealth; matters which relate to the Constitution of Australia.

In the course of correspondence the Liberal Party has already put forward to the Premier matters which it considers should be listed for consideration at the convention. I do not propose to do more than mention the headings under which the matters have been put forward. I will not elaborate on them at this stage.

In the very important field of finance, under the heading of "Excise" the States should collect taxes with the concurrence of the Commonwealth. This comes under section 90 of the Constitution. Under section 92 of the Constitution we mention charges on interstate road transport. We also mention the sharing of income tax with adequate safeguards for the less populated States, and contributions to specific regions in the States. That is a matter which will interest those members who represent the north of Western Australia. Another matter which will draw the attention of the same members is zone allowances.

Under nonfinancial matters we have suggested that attention be given to the following: The first has already been mentioned by the Leader of the House, and I refer to Commonwealth places. The Worthing case has been the subject of some legislation in this House and it is a case on which I could elaborate for some considerable time. Other matters include immigration—is the State organisation redundant; and clarification of Constitutional rights in respect of the sea bed and including all related matters such as minerals, oil, fishing, and harbours. As you can imagine, Mr. President, I am personally interested in this very important field of the law and I am glad to see that this is a subject for discussion.

Whilst I do not desire to introduce any political note in my contribution to this motion, I hope the convention of State and Federal Parliaments will get together on the question of off-shore rights before some factions in the community wreck the thing altogether. It is of gigantic importance to the State to have this matter settled on a nonpolitical basis between the Commonwealth and the States because there is an immense sum of money tied to the result of such an agreement. The last item on my list is in the form of amendments to section 128 of the Constitution.

No doubt other parties which contribute to the convention will have additional matters of importance to put forward, and some of those to which I have referred may even be duplicated. However, the matters I have mentioned are of great importance to us.

I question only a few words contained in the Minister's remarks. He said that in the motion due recognition has been given to the Liberal Party and the Country Party. I should have thought that would have sounded better had the statement been, "Due recognition has been given to all parties in the Parliament of Western Australia," because we will be attending the convention in the hope of achieving some changes to our Constitution which will be of benefit to the people of Australia. However, I am quite sure that nothing was intended in the words which were used in the speech made by the Leader of the House. The comments appear on page 12 of the Minister's speech notes but I do not want him to make anything of what I have said.

The Hon. W. F. Willesee: I agree. I think the Leader of the Opposition is right.

The Hon. A. F. GRIFFITH: Personally, I am very pleased to see that the parties have been given recognition, and that they will go away together with a common objective in mind.

There is one other matter I would like to mention. I notice in reading the resolution which was passed in the Legislative Assembly that the Premier, The Hon. J. T. Tonkin, is appointed to be leader of the delegation, and the Leader of the Opposition in the Legislative Assembly, The Hon. Sir Charles Court, is appointed to be deputy leader of the delegation. These two gentlemen are also appointed, in the resolution, to be the steering committee representatives.

Since this is to be a parliamentary delegation I should have thought that a representative of this House would have been included among the members of the steering committee. I do not know whether the Minister is in a position to advise me but I would pose the question as to whether he has any information regarding what the other States have done in relation to true representation on the steering committee. The steering committee, as the words suggest, is the committee which will lay down the lines to be followed and set out the agenda for this important convention. Therefore, Parliament, and the representatives of Parliament, should have an opportunity to put forward their views. I think it would be highly desirable to have representation from both Houses of Parliament.

I am very pleased to see that a convention of this nature will be held. It is not to be expected that the delegates—among whom I am pleased to be named—will go to the convention and after the first meeting to be held early in 1973 they will return with wonderful achievements for the States. On the contrary, I think this will be a fairly long drawn-out affair. I understand it could last for some four or five years before finality is reached. However, perhaps some objectives will be achieved from time to time as we proceed with our deliberations. I am happy with the thought that we will attempt this.

I am also happy because I believe very much in the Federal system and I am afraid that I have not got much in the way of kind thoughts for those who are centralists, and who would take all of the control away from the State Parliaments and centralise it in Canberra. Such people do not find much sympathy with my way of thinking. The present system of the federated States of Australia is one which we should retain and I believe it is positively essential that the States, with the same objective in mind as the Commonwealth—getting together in concert in the interests of the whole of Australia—should review, revise, and alter the Constitution of Australia, if it needs altering at all.

Such a review should not be—and I am sure it will not be—undertaken lightly. Whatever alterations are suggested and put to the people for consideration should be in the interests of all the States of Australia and the Commonwealth and in the interests of our people throughout the length and breadth of the country.

I am pleased, on behalf of the Liberal Party, to support the motion which has been moved by the Leader of the House. Whether I continue to remain a delegate to the convention or whether somebody takes my place—whoever contributes to the convention—I wish it well and hope its achievements will be of benefit to all of us.

THE HON. L. A. LOGAN (Upper West) [5.40 p.m.]: As my name is associated with this motion I would like to express my support for it. When the Leader of the House presented the motion he covered the ground particularly well.

I would say there are two ex-members of this Chamber who, if they were listening, would be very satisfied that at last what they have been stressing over the last 25 years is beginning to bear fruit. I refer to Sir Keith Watson and The Hon. F. J. S. Wise. In the years that I have been in this house they have, on many occasions, stressed the need for some alteration to the Constitution—mainly on the financial side of course.

If we are only able to overcome the problem of the financial arrangement between the Commonwealth and the States then possibly 90 per cent. of our troubles will be solved. We now have another advocate in this Chamber in Mr. Medcalf, who is following on with the good work commenced by the two members I have already mentioned. The problem will now be tackled on an Australia-wide basis.

If ever there were a need for some big thinking and some common sense discussion it will be at the convention which will take place early next year. The steering committee will have a very responsible job to do in endeavouring to place on the agenda all the suggestions which have been made. Mr. Arthur Griffith has already mentioned some of the items and they will have to be placed in their right perspective when they are presented to the convention. The steering committee will have a rather difficult and responsible task to perform.

One aspect mentioned by the Leader of the House related to the judgments of the High Court. We can think back to the Chamberlain case which concerned stamp duty. Out of the seven judges on the High Court, three were on one side and three were on the other. Sir Garfield Barwick gave the final decision which, virtually, was the decision of one man. His decision was that stamp duty was an excise duty.

I suppose the rank and file members of this Parliament could argue about that decision until they were blue in the face. However, that case proved the point raised by the Leader of the House: The importance of that judgment and the necessity for having the situation altered to clarify the position once and for all.

I realise that the review of the Constitution will be a difficult job. The Leader of the Opposition said the review might take four or five years, but I am hopeful the delegation will settle down and resolve matters much sooner. We have been waiting a long time for some alterations and the sooner we can get down to business the

better it will be for the whole of Australia. I agree with Mr. Arthur Griffith that we should have federated States, and I acknowledge the fact that the Commonwealth has a part to play. The convention will need to be a co-operative effort between all the States and the Commonwealth. If we can achieve that co-operation, I am satisfied the people of Australia will be able to build a better nation. I support the motion.

THE HON. W. R. WITHERS (North) [5.44 p.m.]: In speaking very briefly to this motion I trust the members of the convention will emphasise the points raised by Mr. Arthur Griffith, particularly those which will allow justice to fall on those who are developing our State and our nation. I refer to those who live in isolated areas and who suffer the injustices and inequalities of higher costs of living, higher taxes, and who have to do without the facilities enjoyed by people in other parts of the Commonwealth.

I wish our representatives well and hope they will be able to bring about changes that will benefit the whole of the nation and this State.

THE HON. R. F. CLAUGHTON (North Metropolitan) [5.45 p.m.]: Any person who is involved in State politics in Australia must at some stage come across the difficulties that arise between the Commonwealth and the States. I do not pretend to have a great knowledge of this subject but even in my limited experience it is quite obvious that difficulties are involved. The most pressing difficulty concerns the financial arrangements and the fact that the States must forever go begging to the Commonwealth to achieve what they consider to be their just rights. I forecast that this will be the most contentious subject to be debated.

I would not like to think that the convention and the series of meetings which will no doubt be held over several years will revolve around parochial matters; that is, each State trying to grasp the best deal for itself and not giving thought to the national good as well as the good of the State. In many areas, a much wider and more statesmanlike view should be taken to come to arrangements that will be the most suitable and in the best interests of the whole country.

Like the other members who have spoken, I am not essentially a centralist but I believe it must be recognised that in certain areas it is necessary for the Commonwealth to have overriding authority.

I think it is probable that the existing boundaries of the States will not give rise to a great deal of discussion. Each State would be reluctant to lose any of the territory it now holds; but it could well be that there is a strong case for investigating whether the existing boundaries are the best arrangement for the country or whether it may be better to create a new State in the north of Australia.

It is significant that the chief cities in this country have grown up around the administrative centres. If it is true that the centres of population in Australia depend on the administrative centres, it could be in the interests of Australia as a whole to consider whether having six States is the best arrangement.

Another area which I doubt will receive much attention but which I think should be closely investigated is a sort of Bill of rights within the Commonwealth Constitution. Australia supports the Bill of Rights drawn up by the United Nations. In some matters the individual does not receive protection in Australia. Much greater protection for the individual is provided in the United States. I therefore hope that matters other than those involving the finances of the States, their domestic affairs, divorce, roads, and the control of territorial waters, will also receive consideration by the convention.

THE HON. I. G. MEDCALF (Metropolitan) [5.50 p.m.]: I rise to support the motion. I was keenly interested in what the Leader of the House had to say, and also in the comments made by the Leader of the Opposition and Mr. Logan.

Mr. Logan referred to two former members of this Chamber who would have been very interested to participate in debate on a motion such as this. Those former members are The Hon. F. J. S. Wise and Sir Keith Watson. Earlier this year I referred to a number of other former members of Parliament who had similar views in regard to centralism, and they were not all members of the State Parliament. The Hon. Philip Collier made it quite clear in the 1920s that in his view it would be impossible for this State to be governed properly from Melbourne or Canberra. His views were echoed by Sir James Mitchell.

Another leading Australian parliamentarian who made the same observation about State Government and the importance of it was Sir Robert Menzies. He made it quite clear he did not believe the Commonwealth Government should ever try to trespass upon the many responsibilities and duties which only the States, being much closer to the people, could adequately fulfil. As Mr. Logan indicated, in more recent times The Hon. F. J. S. Wise and Sir Keith Watson, in this very Chamber, made the same comments and made a plea that the States be given the wherewithal to carry out their functions.

Every member of this House knows very well that it is impossible to govern unless the means with which to govern are available. Without money it is impossible to

carry out effectively the tasks which the people, and the Constitution, have given us. That particularly applies to State Governments. We have had the spectacle of Premiers going cap-in-hand to the Commonwealth twice a year in the last few years in an endeavour to obtain more funds with which to carry out their responsibilities to the people.

This situation has become intolerable. I use that word carefully because I realise it is the sort of word one must use with great care. I believe the situation has become intolerable to anyone who believes in the continuance of the States. There are, of course, people who do not believe in the continuance of the States. There are centralists in every political party and in every walk of life who believe Australia can be governed from Canberra. I am not one of those who believe that time will be reached before the next 100 or 200 years. I believe we must continue to have close connection with the people, and only a State Government can have that close connection.

We have many problems, and I think the convention will have to sort them out. Perhaps that will be the task of the steering committee. I suggest its first task would be to sort out the more important matters from the less important matters.

I agree with Mr. Logan's comment that if some sort of unanimity or agreement can be reached on the subject of Commonwealth-State finances, it will really achieve something worth while because so many other problems will be capable of being resolved once agreement is reached. We will be able to carry out our proper functions as States, instead of continually having to ask the Commonwealth for money which may be given with strings attached to it. I think the Commonwealth has done a rather good job in allocating funds to Western Australia over the years. By and large, I think this State has done rather well. We have had our problems but I think it has been realised in the last two or three years that it is not right to attach too many strings to State grants.

On occasions not very long ago very localised and detailed strings were attached to the provision of funds, such as that they had to be used to upgrade a particular road between A and B. By that means government was completely taken out of the hands of the States. However, in the last few years I believe we have seen a clear indication that the Commonwealth Government has become sensitive to the fact that it should not attach too many strings to State grants and that it should not use section 96 terms and conditions excessively and unreasonably. However, we have many problems, and if we can solve the problem of Commonwealth-State finances many of the others will settle themselves.

I would like to draw attention to one matter which I think should not be overlooked by the convention; that is, only the Commonwealth has the power to change the Constitution by initiating a referendum. The States cannot change the Federal Constitution of their own accord, nor can they initiate a referendum. Therefore, there must be co-operation from the Commonwealth if any results from the convention are ever to be formulated by way of new constitutional law. This is a very important aspect. It really means that in the long run, although the States might agree on a number of matters, they must obtain Commonwealth agreement and the Commonwealth must be prepared to put the matters forward in a referendum.

In the history of the Commonwealth of Australia, only four referenda have been successful. It has been said—I believe with perfect truth—that a referendum will never be successful if any State, political party, or large body of opinion is opposed to it. It is therefore necessary to have unanimity between the States, the parties, and the Commonwealth. That will take some doing. I hope it will not take four or five years, and I hope that if we are to be there for that time some weekend leave and other facilities will be made available to the delegates.

The Hon. W. F. Willesee: I am wondering which will come first, the old age pension or the result.

The Hon. I. G. MEDCALF: I think it might take a long time, as the Leader of the Opposition said, to sort out all the details, but I hope the major points—Commonwealth-State finances, in the form of a more equitable distribution of income tax, if not excise duty—will receive the prime attention of the convention and the Commonwealth. If those matters can be resolved within a year or so, I believe many of the other problems will resolve themselves. With those remarks, I support the motion.

THE HON. R. THOMPSON (South Metropolitan) [5.58 p.m.]: I rise to support the motion. I think constitutional changes are long overdue. I think the selection of delegates from Western Australia is very good. As representatives of the Parliament of Western Australia, they will be unanimous in their efforts to do something for the State. Likewise, the delegates from the other States will be endeavouring to help their States by bringing about improvements to the Constitution.

Although it can be said that the Constitution has stood the test for some 70 years, in some respects it has been unfair to the States, and particularly to Western Australia which for years was known as the Cinderella State. Federal members of

Parliament did not show much interest in Western Australia. However, now most of them are beginning to take notice of Western Australia and, to a degree, Queensland.

I think the members of the delegation from this State should attend the convention with the interests of Western Australia foremost in their minds. I foresee some difficulties inasmuch as the Federal Government will not desire the present Constitution to be greatly changed. The Western Australian delegation must be unanimous in its decisions and in its representations to the Commonwealth.

However, there will be a long drawn-out battle of wits before agreement is reached between the six States and the Commonwealth. I trust that in drawing up amendments to the Constitution we will make allowance for forward thinking in the field of youth, which is a field in which I am vitally interested. For too long has our Constitution made no provision for upgrading the facilities for youth and the aged.

I trust we will be able to effect some improvements in regard to State finance which will be of benefit to all sections of the community, and with particular reference to those in the remote parts of our State who must bear added costs and who should, therefore, receive an equitable share of finance in order that services may be provided in those areas.

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the House) [6.02 p.m.]: I thank members who have spoken to this motion for their support of it. I will be brief in my reply. The first point to which I would refer was made by the Leader of the Opposition when he drew attention to the fact that members of the Legislative Council will not be represented on the steering committee.

The Hon. A. F. Griffith: One member would be sufficient.

The Hon. W. F. WILLESEE: Yes. I made inquiries in the time available to me, and I understand that discussions took place on a Government-Opposition level in the Assembly. As far as I can ascertain no Upper Houses in Australia are to be represented on the steering committee. I wish to make it clear that I am not able to state that with complete authority; but it is the position as I understand it.

The Hon. A. F. Griffith: They should be.

The Hon. W. F. WILLESEE: Yes. I think it is right and proper that Legislative Councillors should be represented on the steering committee. However, the motion before us has been drawn up and supported and we can do no more now than note the protest.

I believe we have nothing to lose by tackling the problem of Commonwealth-State relationships, particularly with regard to finance. I am not concerned about how long it will take us to do the job. I am more concerned that we should lay down a blueprint which will last for years. The present Constitution is without doubt outmoded in terms of time, growth, and the many improvements in society. Of course, that may happen again. However, in the meantime, as I see it, our job is to look to the future of the partnership of the Commonwealth and the States.

At times I have felt it would be better if the portfolio I administer were administered by the Commonwealth, for the simple reason that the Commonwealth spends a great amount of money *per capita* on certain people within its territories, but does not recognise the difficulties of the same people just across the border.

The Hon. G. C. MacKinnon: He who is nearest the baker gets the best bread.

The Hon. W. F. WILLESEE: Possibly so; if one is in Canberra one gets more. I thank members who have spoken for their support of the motion. I am sure that nothing but a certain amount of good can come from the convention, and I hope in the ultimate a great amount of good comes from it. I hope the States will be able to move away from the cap-in-hand approach we have seen so often before and will be able to remove the areas of dissatisfaction in the present situation. This convention will provide us with the opportunity to reorientate our thinking and to reorientate the basis of the distribution of Commonwealth funds. This is a great and serious task. I sincerely believe that now is the time to tackle it, and this is our opportunity.

Question put and passed; and a message accordingly returned to the Assembly.

BILLS (2): RECEIPT AND FIRST READING

1. Land Drainage Act Amendment Bill.
2. Wheat Products (Prices Fixation) Act Amendment Bill.

Bills received from the Assembly; and, on motions by The Hon. W. F. Willesee (Leader of the House), read a first time.

Sitting suspended from 6.08 to 7.30 p.m.

AGE OF MAJORITY BILL

Third Reading

Bill read a third time, on motion by The Hon. W. F. Willesee (Leader of the House), and passed.

WESTERN AUSTRALIAN PRODUCTS SYMBOL BILL

Report

Report of Committee adopted.

ALUMINA REFINERY AGREEMENT ACT AMENDMENT BILL

Second Reading

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the House) [7.33 p.m.]: I move—

That the Bill be now read a second time.

The Bill before members is to ratify an agreement between the State and Alcoa of Australia, amending the Alumina Refinery Agreement Act of 1961-67.

The agreement provides for the escalation of the rail freights applicable to the transport of up to 3,560,000 tons of bauxite per annum.

These increases have been agreed with the company in accordance with the provisions of the agreement dated the 13th November, 1967, which states that the rail freights set out in that agreement were based on costs prevailing at the 31st March, 1967, and were to be subject to variation from time to time in proportion to any increase or decrease in the cost to the Railways Commission of maintaining and operating the railway between Jarrahdale and Kwinana.

In addition to the increased freight rates, rates have also been struck for tonnages from 3,560,000 tons up to 5,000,000 tons per year, and over 5,000,000 tons per year, these new rates being necessary because of the increased tonnage of bauxite being hauled. With the decision not to expand the Alcoa Kwinana plant beyond 1,250,000 tons of alumina per year, the bauxite to be hauled to the refinery will stabilise in the future at approximately 5,000,000 tons per annum.

The second part of the agreement sets out a formula to be used in determining rail freight increases in the future. Members will note that the formula has regard for the wages paid to railway employees directly associated with the operation, the price of distillate, and the price of rails.

It is considered that the adoption of this formula will produce a result which will reflect directly the increased costs of the operation. I desire to table a working sheet which is descriptive of this escalation, and I commend the Bill to members.

The working sheet was tabled.

Debate adjourned, on motion by The Hon. A. F. Griffith (Leader of the Opposition).

ALUMINA REFINERY (PINJARRA) AGREEMENT ACT AMENDMENT BILL

Second Reading

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the House) [7.36 p.m.]: I move—

That the Bill be now read a second time.

This Bill is complementary to the Alumina Refinery Agreement Act Amendment Bill.

Similar to the Alumina Refinery Agreement Act, the freight rates set out in the schedule to the agreement Act were subject to variation from time to time in proportion to any increase or decrease in the costs to the Railway Commission of transporting freight of the company.

With the negotiation of the formula applicable to the escalation of freight rates for the haulage of bauxite, the Railways Commission and the company agreed to apply a similar formula to the company's freight to be transported between Kwinana and Pinjarra and, in the future, between Pinjarra and Bunbury, and between Kwinana and Bunbury.

The formula includes the wages of railway employees directly concerned in the operation, the price of distillate, and the price of steel rails, and is designed to recover for the Railways the increased costs of the operation.

I commend the Bill to members.

Debate adjourned, on motion by The Hon. A. F. Griffith (Leader of the Opposition).

INTERPRETATION ACT AMENDMENT BILL

Second Reading

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the House) [7.38 p.m.]: I move—

That the Bill be now read a second time.

This Bill amends the definition of "Public Holidays" and "Bank Holidays" in the Interpretation Act, consequent on the enactment of the Public and Bank Holidays Act.

The definition of "Bank Holiday" is amended to mean a day that is appointed a "Bank Holiday" by, or under, the Public and Bank Holidays Act, 1972, and a "Public Holiday" is defined as a day that is appointed a "Public Holiday" by, or under, the Public and Bank Holidays Act, 1972. Corresponding provisions have been made for "Bank half-holidays" and "Public half-holidays" and I commend the Bill to the House.

The Hon. A. F. Griffith: This Bill is associated with the Public and Bank Holidays Bill.

The Hon. W. F. WILLESEE: Yes. This comes before it.

The Hon. A. F. Griffith: It might be advisable to deal with Order of the Day No. 9 after this so that we will have continuity.

The Hon. W. F. WILLESEE: My advice was to do it this way.

The Hon. G. C. MacKinnon: I think this Bill is associated with the Factories and Shops Act Amendment Bill.

The Hon. W. F. WILLESEE: Yes. I do not think it matters whichever way they come up.

The Hon. A. F. Griffith: There is the State Government Insurance Office Act Amendment Bill between the other two.

The Hon. W. F. WILLESEE: Yes.

The Hon. G. C. MacKinnon: It looks as though Orders of the Day Nos. 6, 7, and 9 are related.

The Hon. W. F. WILLESEE: I thank members opposite for drawing attention to this matter and I will do exactly as the Leader of the Opposition has suggested.

Debate adjourned, on motion by The Hon. V. J. Ferry.

FACTORIES AND SHOPS ACT AMENDMENT BILL

Second Reading

THE HON. R. H. C. STUBBS (South-East—Minister for Local Government) [7.40 p.m.]: I move—

That the Bill be now read a second time.

This Bill is designed to amend sections of the parent Act dealing with public holidays, the qualifications required of inspectors, exempt shops, and public statements regarding trading hours of shops.

It will bring the holiday provisions of the Factories and Shops Act into conformity with those prescribed in the Public and Bank Holidays Act.

At present the Factories and Shops Act nominates public holidays and makes provision for substitution of days on which holidays are observed and for the proclamation of days or half-days on special local occasions, such as agricultural shows. These proclamations are limited in their effect to the closing of the shops and do not authorise a general holiday. They do, however, generally correspond to holidays proclaimed or authorised under the present Bank Holidays Act for the same occasion. The Bill will amend the Act so that all public holiday provisions will be dependent on those prescribed or proclaimed under the Public and Bank Holidays Act.

Section 12 of the Factories and Shops Act at present limits the appointment of inspectors to persons who have passed the prescribed examination. The amendment proposed to this section will allow suitably qualified professional or technical persons to be appointed in addition to those who have passed the prescribed examination, and will enable the position of chief inspector to be filled by a person such as a graduate engineer. This, I might point out, is the practice in other States. The amendment will also allow suitably qualified inspectors appointed under the Inspection of Machinery Act and the Construction Safety Act to be appointed for specific purposes under the Factories and Shops Act.

Section 86 of the parent Act lists a series of categories of shops which in themselves, or in combination, comprise what are described as exempt shops and as such can trade under uncontrolled hours. Confusion has arisen due to variations of opinion as to what precise stock is appropriate to a particular class of shop. In addition, it is also necessary to amend the Act to extend or alter the variety of exempted shops. The proposed amendment will provide that exempted shops are those which confine their stock to a range of goods to be prescribed by regulation as exempted goods.

In addition to clarifying the position of shopkeepers it will allow greater flexibility. The corresponding Queensland Act was amended similarly in 1964 and has worked very well.

The amendment to section 92 will allow shops which sell motor requisites, and are therefore permitted to remain open for hours outside the normal, to stock and sell exempted goods also.

The proposed re-enactment of section 93C is designed to correct some weaknesses in regard to the promotion of sales of goods outside permitted trading hours. In the past difficulty has been experienced in establishing the person responsible for publicising advertisements stating that shops are open for business outside normal hours. Under existing legislation, the shopkeeper, the agent, or the medium which actually presents the announcement to the public, could be liable. The proposed new section will make the shopkeeper of the shop specified in the advertisement responsible for any published statement which implies or suggests that his shop will be open, or that orders will be taken anywhere, at times when the shop is required by the Act to be closed.

To minimise duplicate inspection, and permit greater flexibility in the inspectorate of the Department of Labour, it is proposed to re-enact section 118 to allow inspectors under the Factories and Shops Act to be authorised, where desirable, to exercise certain powers under the Inspection of Machinery Act and the Construction Safety Act. Conversely, the Bill provides for the powers of inspection appointed under the last two Acts to be extended to the Factories and Shops Act.

I commend the Bill to the House.

Debate adjourned, on motion by The Hon. V. J. Ferry.

PUBLIC AND BANK HOLIDAYS BILL

Second Reading

THE HON W. F. WILLESEE (North-East Metropolitan—Leader of the House) [7.46 p.m.]: I move —

That the Bill be now read a second time.

This Bill has been brought forward to consolidate the provisions of the Anzac Day Act, 1919; the Anniversary of the Birthday of the Reigning Sovereign Act, 1937; and the Bank Holidays Act, 1970.

As well as being more convenient, the legislation will result in the administration of all public holidays being placed under the one authority. The Bill also includes other important provisions.

In December, 1971, the Western Australian Industrial Commission made important changes in the "Public Holiday" clauses of several awards and which were to become the standard for all awards of the commission. The concept that public holidays should be observed on the day on which they fall due was changed to provide that workers under the awards receive 10 public holidays annually without loss of pay. The commission determined that when Christmas Day, Boxing Day, New Year's Day, or Anzac Day fall on a Saturday or Sunday the holiday shall be observed on the following Monday. Boxing Day is to be observed on a Tuesday when Christmas Day falls on a Saturday or Sunday. However, this decision applies only to workers embraced by the amended awards. Other workers, including those covered by Commonwealth awards, who are given the holidays of the State in which they work, are not recognised.

To ensure that public holidays are uniformly observed, it is desirable to legislate for those persons not covered by an award of the commission. The second schedule of this Bill specifies 10 public holidays to be observed annually and, in addition, clause 8 provides for the Governor to proclaim some other day as a public holiday or bank holiday instead of the day so appointed in the schedule. Clause 7 enables the Governor to proclaim a public holiday for special occasions, such as a royal visit. This will avoid the necessity to pass special legislation for a holiday to commemorate an occurrence of special significance.

A complementary amendment to the Interpretation Act will also be required to redefine "Public Holiday" and "Bank Holiday" to conform with the provisions of this Bill. An amendment to the Factories and Shops Act to relate "Public Holidays" as defined therein to this legislation will also be required.

Clause 9 of the Bill provides that the Act will prevail over an industrial award, order, or agreement only for the purpose of making a holiday mandatory when one is proclaimed as a special holiday by the Governor, or when the day appointed is altered to another day. It is not the intention, however, to derogate the powers of the Western Australian Industrial Commission in respect of including in awards, for the purpose of the award, conditions relating to public holidays such as payment—that is, that a holiday is to be observed without deduction of pay—or their application to casual workers, and the like.

Amendments to the Factories and Shops Act will make holidays prescribed in the second schedule to this Bill, or otherwise proclaimed under its provisions, applicable to factories, shops, and warehouses. The closing of shops on public holidays will still be covered by the relevant sections of the Factories and Shops Act.

I commend the Bill to the House.

Debate adjourned, on motion by The Hon. V. J. Ferry.

STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT BILL

Second Reading

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the House) [7.50 p.m.]: I move—

That the Bill be now read a second time.

This is a Bill to authorise the State Government Insurance Office to extend its field of operations. At the present time, and so far as the public is concerned, the office is authorised to issue policies for employers' indemnity insurances which include workers' compensation insurance, motor vehicle comprehensive insurance, students' personal accident insurance, and all classes of insurance, except life, for local authorities. All its other insurance activities concern Government property or property in which the Government or a semi-Government instrumentality has a financial interest.

Primarily, therefore, this Bill deals with the S.G.I.O.'s authority to do business for the general public and it seeks to extend the franchise of the S.G.I.O. to include all classes of general insurance business and also life assurance to be carried on on an equal footing with the private enterprise companies.

Being a Crown instrumentality, the S.G.I.O. would not ordinarily be liable for company income tax, other Government and municipal rates and taxes, fire brigade charges, and so on, but this Bill concurrently makes it liable for all these taxes, except for fire charges on Government business—the reason being that the Government makes a direct contribution to the Fire Brigades Board. I am informed that the S.G.I.O. already pays most of these charges.

The Bill also requires the S.G.I.O. in the matter of life assurance to comply with the State Life Assurance Companies Act, 1889, as if it were a company within the meaning of that Act. So far as income tax is concerned, however, there is a vital difference both to the Government and to the public between the private enterprise companies and the S.G.I.O. The manner of assessing the tax will be identical in both cases, but whereas the private enterprise companies pay their company tax to the Commonwealth Treasury, the S.G.I.O. will pay its company tax to the State Treasurer. Last year the tax amounted to $539,833.

I desire to clarify two particular aspects. The first deals with a suggestion that the S.G.I.O. uses public servants as unpaid agents. The S.G.I.O. has no unpaid agents. It has approval for and does use clerks of courts and mining registrars as agents, but like its competitors it pays agents. In 1971-72 this amounted to $11,748.

The second point relates to legal expenses. The S.G.I.O. pays the Crown Law Department for this service. It recently had a solicitor seconded to it and in the same period, together with his salary, it paid the Crown Law Department $46,000 for legal advice, so it gains no advantage over its competitors in this respect.

The Hon. A. F. Griffith: I would like to know the break-down of the legal advice it received for $46,000. It sounds remarkably cheap to me.

The Hon. W. F. WILLESEE: I accept the comment.

The S.G.I.O. has been handling all classes of insurance business for the Government since 1926. In 1938 Parliament ratified all previous transactions and authorised the office to do employers' indemnity insurance for the public. In 1943 its franchise was extended to include all classes of insurable risks in connection with the ownership and use of motor vehicles and in 1945 it was further extended to include all classes of insurable risks for local authorities, excluding life, by way of a pool. Finally in 1945, the Act was further extended to allow the S.G.I.O. to do students' accident insurance.

In both its Government and public capacities it had an aggregate annual premium income of $12,700,000 and a staff of 277 in 1970-71 and is by far the largest general insurance office in the State. The staff do not lack insurance experience or insurance qualifications.

Ten members have over 25 years' service with the S.G.I.O.; 18 have insurance or accountancy qualifications, or both; and another 69 have passed some subjects towards their qualification. Both relatively and in bulk, this performance is probably without equal in the State.

It means, in effect, that the S.G.I.O. has all the expertise necessary to handle all classes of general insurance and has the capacity for coping with the wider franchise envisaged in this Bill.

The S.G.I.O. currently offers policies of wide scope as for instance on marine hulls for the State shipping fleet, public liability for the W.A.G.R., public liability for the S.E.C., fire and related risks for all S.E.C. power stations, fire and public liability for the Fremantle Port Authority and in fact all port authorities including Esperance, Albany, Busselton, Bunbury, Geraldton, Port Hedland, and so on.

Not only has it already the nucleus of expertise to cope with an enlarged franchise, but also it has a reinsurance structure tailored to receive any additional business almost without alteration. In the main, its reassurance contracts will allow the S.G.I.O. to grant immediate cover up to any anticipated limit and it has the facilities to tap the world markets quickly for anything in excess of those limits. Further, it has taken the precaution to have immediate and automatic protection against any catastrophe in any class of risk that it has accepted or is likely to accept in the matter of fire, storm, or earthquake. The S.G.I.O. has spread its risks so as to be liable for no more than $30,000 in any such event, so that in the event of a catastrophe the S.G.I.O. would never go bankrupt or have to call on the Government to meet its debts.

Several of the private enterprise companies are receiving good business from the S.G.I.O. For instance, until recently only 60 per cent. of the S.G.I.O.'s fire account was reinsured in Australia, the other 40 per cent. going overseas. Much the same applied with its marine account and also its general account. With some qualifications, the S.G.I.O. advocates local reinsurance to keep premiums in the State or at least in Australia and this is being developed beyond the 60 per cent.—in fact to the maximum considered prudent.

However, the S.G.I.O. will be looking for a *quid pro quo*—that is, a return reinsurance arrangement by the private companies with the S.G.I.O.—so that the companies recognise that if they have to share the market with the S.G.I.O. they will be sharing in the S.G.I.O's account by way of reinsurance. In the long run, with an expanding Government account—not otherwise available to them—there could be a net gain for the companies.

There are members of the public who prefer the Government office and others who prefer the private offices. There is a choice now with motor vehicle insurance. The same choice should be available to the public in the matter of life assurance.

The Government office is at a disadvantage with its present limited franchise because many potential clients prefer

to place all their policies with the one office or one representative. At the present time the S.G.I.O. cannot offer this facility.

There is the example of the General Manager of the S.G.I.O. receiving an inquiry from a friend having a workers' compensation policy with the S.G.I.O. The friend required a public risk policy but had been refused cover by a private enterprise company unless he transferred his other insurance policies to that company. The S.G.I.O. would have gladly given him a public risk policy but its restricted franchise made this impossible.

The Government has done its best in the Bill to see that the S.G.I.O. does not get any unfair advantage from this legislation.

Private enterprise companies can be expected to support, to their mutual benefit, the power proposed to be given to the General Manager of the S.G.I.O. to accept reinsurance offered by another insurer.

One of the major problems facing insurance today is the lack of capacity to absorb the higher risks on offer in both the physical and the liability classes. It is a world-wide problem and the S.G.I.O. can help to provide some capacity and assist on the international scene.

Government insurance offices, whether they operate on a limited franchise as in this State and in Victoria or on a wider franchise as in Queensland, New South Wales or Tasmania, are all demonstratively efficient and they all contribute substantially to their State Treasuries—the contribution being in direct proportion to the scope of their franchise.

These contributions to State finances are substantial. In New South Wales the Government Insurance Office, since 1942, when it was given a full franchise including life assurance, to the 30th June, 1970 has paid $11,700,000 to the State Treasury in lieu of paying income tax to the Commonwealth and in addition to the 30th June, 1970 it has contributed $2,800,000 to the State Treasury for capital equipment in hospitals. That is a total of $14,500,000. In Queensland in the two years 1968-69 and 1969-1970 the State Government Insurance Office paid $4,500,000 to the State Treasury in lieu of income tax. Both these States have a full franchise including life assurance, just as this Bill proposes. In this State the contribution to the State Treasury is modest, but in keeping with its limited franchise. Up to the 30th June, 1971 the office had paid approximately $5,500,000 to the State Treasury since its inception, of which $4,200,000 was in lieu of income tax calculated on exactly the same basis as for a public company.

Under the Act, the office is authorised to invest funds in investments approved by the Treasurer, and is now budgeting to lend approximately $3,000,000 of its new funds annually.

New South Wales has an investment portfolio of $293,000,000 and invests $40,000,000 of new funds annually.

The use to which this State's S.G.I.O. funds are put is of importance to the State. The return on these invested funds is 5.7 per cent., which compares favourably with similar organisations. The loans are properly secured in accordance with commercial usage and protected by mortgage guarantee insurance when considered necessary.

This money is spread between semi-government, local government, housing and private industry and to the 30th June, 1971 it had invested an aggregate of $28,600,000 as follows:—

Commonwealth stock	$4,300,000
Semi-Government	$8,900,000
Local Government	$6,400,000
Private Industry	$4,200,000
Housing	$3,100,000
Land and Buildings	$1,700,000

and of these funds $18,400,000 was still out on loan at the 30th June, 1971.

It has loans current to no less than 56 country local authorities totalling $4,700,000. These range from Albany to West Kimberley and include six northern shires. Semi-government loans to country authorities total $790,000 and include five regional port authorities. Loans to private industry domiciled in the country total $682,000 and most of this has gone to small undertakings in the north where private money is loath to go, except to the huge mining companies. By this means it is possible to provide the small man going to the north with the amenities to which he is used and which will encourage him to remain. At least seven loans have been made to motor repairers willing to establish themselves in such places as Carnarvon, Karratha, Wyndham, Port Hedland and Kununurra and other such loans are being negotiated at Roebourne and Exmouth.

These loans are intended to complement the motor policies that the S.G.I.O. is happy to sell to people up north. In making these loans it is able to provide its clients, who take their cars up north, with the service needed when accidents occur.

Amongst other loans to private industry in the country are loans to the woollen industry in Albany, a seed works in Moora, a hospital for incurables in Bunbury, the tourist industry in Kununurra, the meat industry in Wyndham and the rural industry in Wandering and Narrogin. There have been few applications for homes in the country, but housing loans have been made in Kununurra, Nabawa, Esperance

and Northam. It would be able to provide much more help to these people if it were given a full franchise.

On the passing of this legislation the office will advertise for and select the right man with initial expertise to take the Government instrumentality into the life field. Its own actuary would be appointed and his services, in the present absence of a resident Government actuary, would be availed of by other Government departments.

On interstate experience it is not expected that the Government would need to make a substantial grant to the S.G.I.O. to allow it to meet bonus payments in the initial years. In New South Wales in 1942 the Government made a grant of $200,000.

The Hon. G. C. MacKinnon: Are you sure it was $200,000 and not $100,000?

The Hon. W. F. WILLESEE: I have had this figure checked, and I am advised this is the case.

The Hon. G. C. MacKinnon: All right.

The Hon. W. F. WILLESEE: I think the A.M.P. started with £10,000. To continue, that was the sum total of the Government's contribution—since repaid tenfold in tax contributions to the State Treasury.

In its first year, it wrote only 337 life policies for sums assured totalling $312,000. Within five years it was writing 3,000 new policies per annum and the life assurance fund stood at just under $1,000,000. We could anticipate a similar experience in this State.

The Hon. A. F. Griffith: Really, with the population of New South Wales compared with Western Australia?

The Hon. D. K. Dans: There are not as many people here as in New South Wales.

The Hon. A. F. Griffith: I cannot hear the honourable member.

The Hon. G. C. MacKinnon: I think it means "similar" based on population.

The Hon. W. F. WILLESEE: The figure is probably *pro rata*. It does not mean growth, but relativity.

The Hon. A. F. Griffith: It depends on how one looks at it.

The Hon. W. F. WILLESEE: It depends on the type of inquiring mind one has.

Recent trends, as disclosed in the Life Insurance Commissioner's reports and in Press reports on life office financial results indicate the relationship between supply and demand in the sphere of life assurance.

In 1950 there were 22 life companies registered under the Commonwealth Life Assurance Act, 1945, of which 19 were controlled in Australia and three from overseas. By 1969, the number had grown to 47, of which only 14 were controlled in Australia and 33 from overseas. These figures reflect the attraction to overseas companies of Australia's growth in life policy business. Unfortunately, they indicate, too, that overseas companies appear to have been the major beneficiaries in Australia's prosperity in life assurance business.

I put it to members that there is no valid argument by which we in this State may reject the entry of one wholly Western Australian office while supporting the entry of 30 overseas companies in 20 years. I commend the Bill to the House.

Debate adjourned, on motion by The Hon. G. C. MacKinnon.

CRIMINAL CODE AMENDMENT BILL (No. 3)

Second Reading

THE HON. R. F. CLAUGHTON (North Metropolitan) [8.09 p.m.]: I move—

That the Bill be now read a second time.

When introducing an earlier Bill to amend the Contraceptives Act, I indicated that the move to do so had come from the Family Planning Association of Western Australia. Because of my connection with that body I wish to make clear that the subject of the present Bill—that is, reform of the laws relating to abortion—has not been discussed by the association, and that it has no policy on the matter. The motivation of many of those supporting family planning would be a desire to minimise the need for abortion by reducing the number of unwanted pregnancies.

The Hon. G. C. MacKinnon: This is not backed by the Family Planning Association?

The Hon. R. F. CLAUGHTON: No.

The Hon. G. C. MacKinnon: Not at all?

The Hon. R. F. CLAUGHTON: No. The purpose of the Bill is to amend section 199 and to repeal sections 200 and 201 of the Criminal Code.

Section 199 prohibits the procuring of a miscarriage by any person, and carries a maximum penalty of 14 years' imprisonment with hard labour.

It is proposed to amend this section by applying it only to those persons not registered as medical practitioners or working directly under their instructions.

It is proposed to repeal sections 200 and 201 which prohibit, respectively, any woman from procuring her own miscarriage, or allowing any other person to act upon her, and any person knowingly supplying anything intended to procure a miscarriage. The penalty in the first case is seven years' imprisonment, and in the latter case, three years' imprisonment.

This law is qualified by section 259 of the Criminal Code which states that "a person is not criminally responsible for performing, in good faith and with reasonable care and skill, a surgical operation

. . . upon an unborn child for the preservation of the mother's life, if the performance of the operation is reasonable, having regard to the patient's state at the time and to all the circumstances of the case."

Very clearly the law in this State prohibits all abortions except for a surgical operation to preserve the woman's life. As New South Wales and Victoria operate under common law, it is doubtful that the wider judicial interpretation given in those States in recent years would apply in this State which operates under a Criminal Code.

The late Dr. Hislop made three attempts to reform the existing legislation, and many members took the opportunity to participate in those debates.

Council members at that time made two small concessions to reform: firstly, where there is a substantial risk of serious injury to the physical or mental health of the woman; and, secondly, where there is a substantial risk the child would be seriously handicapped from physical or mental abnormalities.

Dr. Hislop himself sought to modify the existing law by new legislation to become the "Termination of Pregnancy Act." I think that may have been the "Medical Termination of Pregnancy Act." The terms of his Bill, like that operating in South Australia, were almost a direct copy of the English legislation. It provided for the termination of a pregnancy—

(a) where there is a risk to the life of a pregnant woman, or of injury to the physical or mental health of the woman, or any existing children of her family, greater than if the pregnancy were terminated. In determining the risk of injury, account could be taken of the woman's actual, or reasonably foreseeable environment.

(b) where there is a substantial risk that, if the child were born, it would suffer from such physical or mental abnormalities as to be seriously handicapped.

The opinion of two medical practitioners was required, and the termination was to be performed in an approved hospital.

In America there have been a variety of measures ranging from one State where the law was made more restrictive, to that of Hawaii which repealed previous laws and gave complete freedom up to the period of foetal viability. The New York legislation was reworded to remove all restrictions up to 24 weeks of pregnancy.

In some countries such as Japan, Hungary, and China, abortion has been used as a birth control measure. In these countries it has proved most effective for this purpose. Abortion is a very safe operation if performed in the early weeks of pregnancy under hygienic conditions.

The Hon. G. C. MacKinnon: What do you call the early weeks?

The Hon. R. F. CLAUGHTON: Up to the first 10 weeks or so. The technique of vacuum aspiration developed in China takes only a few minutes and the patient can be safely released almost immediately. With the dilatation and curettage method commonly used in this State, the patient is normally detained for observation for 24 hours. After 12 weeks of pregnancy, because of the danger of perforation of the uterus, haemorrhage, and infection, an abdominal operation—hysterotomy—is preferred. It is a more major operation and carries greater hazards for the patient. The newly developed drugs, the prostaglandins, at present under tests in Australia, not only provide a safer contraceptive, but also a very effective abortifacient.

The risk to life in a clinical abortion is less than in childbirth itself. In Czechoslovakia the death rate ranges between one to four per 100,000. The risks tend to increase the longer a pregnancy continues before abortion is performed. In Scandinavia deaths from abortion before the law was recently further liberalised were around 24 to 40 per 100,000. Under the old legislation the patient had to appear before a panel of doctors which usually meant a delay before the abortion was performed if it was approved. There are differences in the legislation of Denmark and Sweden.

In the United States, with generally restrictive legislation, the rate rises to 100 per 100,000. We must remember that only the more serious cases are aborted. This leads to a proportionately higher mortality figure because of the likelihood of complications. New York, under its liberalised law, has a rate of 5.3 per 100,000. In general, the more difficult it is to obtain an abortion the higher is the death rate. Less restrictive laws mean that abortions can be performed earlier and thus more safely. All these figures deal with legalised abortion. We have no figures, of course, for the mortality rate following illegal abortion.

The strongest opposition to change in the law relating to abortion has come from those who maintain that the *conceptus* is a potential life, having the same right to life as all other members of society. It then follows, so they would argue, that any act to terminate that life deliberately at any stage after conception is an act of murder.

The Hon. A. F. Griffith: Taking that into consideration, your Bill means abortion *ad nauseam*.

The Hon. R. F. CLAUGHTON: If that is the term the Leader of the Opposition likes, yes. In other words, an abortion can be performed when a woman requests it or the circumstances warrant it. This legislation is to remove the present prohibition.

The Hon. A. F. Griffith: The same conditions will apply as for the removal of a tooth or for an appendectomy.

The Hon. G. C. MacKinnon: In popular terms it is to decriminalise abortion.

The Hon. J. Heitman: Would it not be better to sterilise the male? We would not then need this legislation.

The Hon. R. F. CLAUGHTON: We would have to ask the male.

If this view is held—that is, that abortion is an act of murder—then all abortions must be opposed. An exception is often made, however, where continuance of the pregnancy presents a threat to the life of the woman. Where it is a clear choice of the life of the mother or the life of the child, judgment is given in favour of the woman. It is my opinion that it is only those persons sincerely holding this belief who can argue without hypocrisy that the law should not be altered unless it be in the direction of greater stringency.

If we, as legislators, do not regard abortion as murder, then it is necessary that careful examination be made of our attitude to this important social issue. If we believe that the law should be widened in only certain defined circumstances, I believe it is then our duty to state clearly the reasons that lead us to that belief. Our decision will mean life itself for some, healthy bodies for others, a chance for a stable marriage, or education for existing children. It is certainly not sufficient to claim that the thought of abortion is repugnant to us and thus, like Pontius Pilate, wash our hands of the affair.

All the surveys on public attitudes on this subject have indicated that people do not consider abortion to be a serious crime, if indeed they regard it as a crime at all. Women themselves, once they have rejected a pregnancy, go to extreme lengths, at the risk of life itself, to have it terminated, no matter what the law may be.

It is because of this attitude of women towards abortion that the more restrictive legislation is, the larger are the numbers who are forced to use illegal and dangerous methods. Restrictive laws, as the Victorian experience has shown, may only provide a lucrative business for the unscrupulous and tragedy for their victims.

Because overseas experience indicates that conditional reform, for example, as contained in the United Kingdom legislation, perpetuates a market for illegal abortionists, it was my strong desire to repeal the whole of section 199. It is my belief that if the whole medical service is available to those who need it no market will remain for illegal operators.

The Medical Act in fact prohibits any person from practising medicine or surgery, except those persons provided for in that Act. Moreover, recently developed drugs and techniques have greatly improved the safety and ease of abortion. It was pointed out to me, however, that circumstances may arise that could lead women to seek help outside the medical profession. To provide for this situation it is proposed to amend section 199 in the terms indicated.

There are many arguments put forward in support of both sides of this issue. I have attempted to reduce them to their simplest elements. Central to the argument is whether the belief is held that an abortion is equivalent to murder.

The Hon. A. F. Griffith: May I make a suggestion? How about using the expression "termination of pregnancy"?

The Hon. R. F. CLAUGHTON: Abortion is shorter. Termination of pregnancy means the same thing.

The Hon. G. C. MacKinnon: But you may have spontaneous abortion. You really mean termination of pregnancy—a deliberate act.

The Hon. R. F. CLAUGHTON: True enough.

The Hon. G. C. MacKinnon: I think termination of pregnancy is better.

The Hon. R. F. CLAUGHTON: I have no objection to that phrase. Abortion sounds rather unpleasant.

The Hon. G. C. MacKinnon: Women may abort spontaneously without any deliberate act. A termination of pregnancy clearly specifies an overt act.

The Hon. R. F. CLAUGHTON: I agree with the honourable member. The expression "termination of pregnancy" is more precise.

The Hon. A. F. Griffith: We know exactly what you mean.

The Hon. R. F. CLAUGHTON: I am sure all members understand what I am talking about.

Society overwhelmingly does not hold the view that abortion is murder. If members also, in considering the law, do not see abortion, or termination of pregnancy, as a serious crime, or in fact, a crime at all, then we must question the necessity of the law itself. The evidence, indeed, is that the law creates far greater crimes than it attempts to prevent. I suggest it is far more helpful to examine the problem from a different direction.

We should remember that a sexual act having as its object the begetting of children is a relatively rare event in a normal life span. Ideally, it should only be undertaken for this purpose, as a matter of conscious will, with a full realisation of the responsibilities it entails.

There are two main facets to be considered. The first is the right of a woman to determine her own fertility, both as to timing and as to the number of children.

Modern medicine has provided the means by which this can be accomplished. For a variety of reasons these means are not always used effectively, or there is ignorance of them. Because of this, many women are faced with an unplanned, or unwanted pregnancy. To me it is intolerable that the State should require a woman to bear a child she does not want. The result of such compulsory child-bearing is also socially damaging.

The second aspect is that of public health, and it is in this area that members should be most concerned, because it is specifically within the scope of Government action.

I have indicated previously that the more difficult it is to obtain an abortion the higher is the incidence of death and morbidity. This arises because more women are forced to resort to quack operators, there are more delayed and hazardous operations, more operations under unhygienic conditions, there may be no provision for after-care or for complications arising from the operation, or women themselves use inefficient or dangerous methods. There is also a larger number of unwanted babies, battered babies, unstable shotgun weddings, and unmarried mothers struggling to cope in a society that is unsympathetic and barely recognises their existence.

All these problems, which could be vividly illustrated, indicate the scope of the public health problem created by our existing law. It is far more prudent that public health resources be directed at preventing these problems before they arise. I would not claim, of course, that repeal of the law will remove them immediately. What I do claim is that a dramatic reduction of the problems will follow. The repeal of a law which enables us to close our eyes and pretend these problems are not there will enable us to deal with them with greater realism.

Relaxation of abortion laws elsewhere has inevitably led to an increase in the number of legal abortions. Their number, in relation to the number of live births, varies considerably, and I could not predict confidently what the figure will be in this State. For instance, in South Australia the figure is about 2,500. However, there are still some restrictions in the South Australian legislation. The estimate of the number of abortions throughout Australia varies between 60,000 and 100,000. The figure in Western Australia is probably about one-twelfth of the Australian total. These are only estimates or guesstimates, as it is very difficult to say what the figure will be.

Because we have not yet, as a community, accepted our duty to provide sex education for our children, I would expect a significant number of women who wish to terminate their pregnancies will be single. This is a trend which I believe exists with no change in the law and which will continue no matter what we do with the law. It will only be changed by recognising the fact and adopting specific measures to deal with the specific problem.

As I stated previously, advances in medical knowledge and drugs have greatly simplified abortion and made it a minor operation, unlikely to give rise to complications. If these methods are adopted here, repeal of the law should not cause undue disturbance to the medical profession or to hospital services.

In presenting this Bill to members for their consideration I ask that they recognise that the law has not, and will not, prevent abortions. I suggest to them that they recognise that abortion is not a serious crime but a social and public health problem which requires a social, public health, and medical solution.

Debate adjourned, on motion by The Hon. W. F. Willesee (Leader of the House).

House adjourned at 8.30 p.m.

Legislative Assembly

Wednesday, the 16th August, 1972

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

QUESTIONS (52): ON NOTICE

1. NATURAL GAS

Conversion Costs

Mr. MENSAROS, to the Minister for Electricity:

(1) What is the total cost so far of gas conversion to metropolitan consumers incurred by the State Electricity Commission?

(2) What is the estimated outstanding amount to be paid in connection with conversion?

Mr. MAY replied:

(1) The State Electricity Commission has paid $2,750,000 to the 30th June, 1972.

(2) $250,000 by the State Electricity Commission.

2. TOWN GAS

Comparison of Costs

Mr. MENSAROS, to the Minister for Electricity:

(1) What was the running cost (or if this is not available the estimated cost) incurred by the State Electricity Commission of producing and supplying town gas to the