Mr. COURT: It is not; because the law provides that certain things shall not be in the rules. If the registrar accepts a set of rules containing objectionable provisions contrary to the law, that is the fault of the registrar; and he is not likely to do so.

Mr. Hawke: Who will he be?

Mr. COURT: I do not know.

Mr. Heal: What power is there to discipline?

Mr. COURT: The power of discipline is a specific one provided for in the Bill. The registrar investigates the matter; and if he considers there is a case, he will take it to the Minister; and the Minister has the power to direct the association to stop taking such action. The association must stop it; and if it does not, it will be subject to a penalty under the Act. I think that is fair enough. It must be borne in mind that in a State which has several very real disadvantages in regard to attracting industry, we do not want to make it harder to canvass for it.

Mr. Jamieson: You do not seem to realise the main ones; that is the trouble.

Mr. Heal: Were the disadvantages with us from 1953 on?

Mr. COURT: The disadvantages have always been with us and I think it must be agreed that since we have been in office we have tried to get industry revitalised in this State. We are not standing still.

Several members interjected.

The SPEAKER: Order!

Mr. COURT: We have some very worthwhile negotiations in train and we are not dismayed. If I took notice of all I heard from members of the Opposition, I would give up the ghost.

MR. BRAND (Greenough—Premier): I move—

> That the Minister for Industrial Development be given leave to continue his speech at a later sitting.

Motion put and passed.

Debate adjourned.

LICENSING ACT AMENDMENT BILL

Council's Message

Message from the Council received and read notifying that it did not insist on its amendment No. 6.

BILLS (2)—RETURNED

1. Electoral Act Amendment Bill (No. 3). Without amendment.
2. Stamp Act Amendment Bill. With amendments.

House adjourned at 6.11 p.m.

Legislative Council

Tuesday, the 24th November, 1959

CONTENTS

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

QUESTIONS ON NOTICE

POISONING OF DOGS

Implications in "Weekend Mail" Against Waterside Workers

1. The Hon. R. THOMPSON asked the Minister for Mines:

> In view of the article by Allison Fox which appeared on page nine of the *Weekend Mail* dated the

14th November, 1959, relating to dog-poisoning in the Cottesloe district, will the Minister inform the House—

(1) Are buckets of strychnine left in places accessible to workers on the Fremantle waterfront?

(2) How many waterfront workers reside in the Cottesloe district?

(3) Who was the police officer from the Cottesloe Police Station who made comments to the *Weekend Mail* newspaper?

(4) Does this police officer consider that the dog-poisoning in the Cottesloe district is the action of a waterfront worker?

The Hon. A. F. GRIFFITH replied:

(1) Strychnine is a very limited import through the port of Fremantle; and is imported and handled under the strict guard and control of the Customs Department and of the Fremantle Harbour Trust. The trust states categorically that under no circumstances is open strychnine ever to be found on the wharves.

(2) This information is not readily available, but a reliable estimate places the number of waterside workers who reside in the Cottesloe district at approximately 40.

(3) Sergeant J. Short.

(4) No. No reference was made to waterside workers; nor does the sergeant have any reason to suspect that a wharf labourer was responsible.

PRIVATE WATER SUPPLIES

Finance by Local Authorities

2. The Hon. R. F. HUTCHISON asked the Minister for Local Government:

(1) Further to my questions on Wednesday the 28th October, 1959—No. 5—with particular reference to No. (4) thereof, and in view of the Municipal Corporations Act Amendment Bill (No. 3) passed by this House on Thursday, the 19th November, 1959, will the Minister inform the House whether the provisions contained in subsection (1) (c) of the proposed new section 437A will allow local authorities to finance the installation of private water supplies for ratepayers on their properties?

(2) If so, will the Minister advise the local authorities accordingly?

The Hon. L. A. LOGAN replied:

(1) No, as the provision of private water supplies is not a work authorised by the Municipal Corporations Act.

(2) Answered by No. (1).

BILLS (5)—ASSENT

Message from the Governor received and read notifying assent to the following Bills:—

1. Entertainments Tax Act Amendment Bill.
2. Entertainments Tax Assessment Act Amendment Bill.
3. Bunbury Harbour Board Act Amendment Bill.
4. Town Planning and Development Act Amendment Bill (No. 3).
5. Albany Harbour Board Act Amendment Bill.

STATE ELECTRICITY COMMISSION ACT AMENDMENT BILL (No. 3)

In Committee

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

Clause 1 put and passed.

Clause 2—Section 32A added:

The Hon. L. C. DIVER: I move an amendment—

Page 4—Add after subclause (5) new subclauses as follows:—

(6) Instead of requiring the undertaking referred to in subsection (3) of this section from the applicant the Commission may with the consent of the Minister accept a guarantee in a form acceptable to the Commission from any local authority in whose district the supply of electricity is made available under this section, which guarantee a local authority is hereby empowered to give.

(7) A local authority which gives a guarantee pursuant to the provisions of sub-section (6) of this section is hereby empowered to demand and recover from any applicant payment of any amount paid to the Commission on his behalf under such guarantee.

(8) Whenever a local authority is required under the terms of a guarantee to make payment to the Commission of any sum for electricity supplied to any applicant the moneys so paid shall be a charge on the land of that applicant notwithstanding any change in the ownership of the land or of any estate or interest therein.

The Hon. A. F. GRIFFITH: The Government has no objection to the amendment, but the three additional subclauses which the amendment seeks to insert in the Bill would be somewhat limited in their application, because there is a restricted amount of money to be made available for the new type of extensions that are envisaged by the Bill. As I indicated during my second reading speech, it is intended to channel approximately £50,000 into that kind of work this year, but I am not sure whether that is to be spent over the whole 12 months.

I point out, however, that it will be necessary for the honourable member to insert the words "and recover" after the word "demand" in line 4 of proposed new subclause (7).

The Hon. L. C. DIVER: When I re-read the clause the other day I realised that those two words would have to be inserted in that particular subclause. I thank the Minister for drawing my attention to the point; and with the consent of the Committee, I ask leave to include those words in my amendment.

Leave granted.

The Hon. L. C. DIVER: In regard to the Minister's remarks on the limited amount of money to be made available from a Government source, I point out that in the early part of the Bill it is provided that the commission can specify what funds it wants contributed. Therefore, it leaves the local authority in the position that it can contribute towards the cost of any new extension; and it is highly desirable that it should be able to enter into negotiations to find finance for some of these undertakings.

The Hon. J. G. HISLOP: There is a wise principle at the back of the proposals in the Bill and also in the amendment, but I think the whole question needs tidying up; not in this session but at some future date. Earlier in the session we learned that local authorities would be permitted to assist individuals with sewerage installations and then, only the other evening, a private member introduced a Bill that sought to permit local authorities to do that work on bank overdraft. However, we also have another paragraph which contains the words "any other work approved by the Government."

In my opinion there is no need for the first two paragraphs, because apparently the local authorities will be able to do work for its ratepayers by overdraft. Under this Bill, the State Electricity Commission will be able to ask for additional funds to extend an existing service; and the Minister has said that £50,000 will be channelled in this direction for the remainder of this year. Mr. Diver has now said that the local authorities will be able to spend money themselves on this type of work. This is a peculiar situation. Local authorities will be able to raise an overdraft for sewerage work, but not for electricity extensions.

The Hon. L. C. Diver: But the Bill also provides that it can do any other work approved by the Governor.

The Hon. J. G. HISLOP: If that were accepted by the Committee, there would be no need for this amendment.

The Hon. L. C. Diver: This is a question of what the State Electricity Commission can do.

The Hon. J. G. HISLOP: The whole question of what local authorities can do for their ratepayers requires to be tidied up. There are three different methods now by which work can be done for ratepayers, and I hope that the Government will tidy up the Act at a later date.

The Hon. A. F. GRIFFITH: I will not labour this question, but the State Electricity Commission—as I understand the position—has no power at present to extend electricity mains to a distance which would make the extension an uneconomical proposition; and, in the same way, the Water Supply, Sewerage and Drainage Department may not extend a water reticulation scheme if the amount of revenue to be derived from it will not give a reasonable return on the amount of capital expenditure.

Until a few days ago the Government was unaware that a similar Bill in respect of the City of Fremantle was to be introduced by a private member. It is unfortunate that we have two or three Bills which purport to achieve the same objective.

During the second reading I was asked by Mr. Davies whether this Bill would apply to the metropolitan area. As a result of some inquiries I have been informed that in respect of the metropolitan area, natural development will attend to the problem. In respect to the fringes of the metropolitan area, where rapid development will not attend to the problem, this Bill will apply. I am advised that the Bill is intended to bring about extensions in the fringe areas and the outer areas.

Amendment put and passed; the clause as amended, agreed to.

Title put and passed.

Bill reported with an amendment and the report adopted.

Third Reading

Bill read a third time and returned to the Assembly with an amendment.

TRAFFIC ACT AMENDMENT BILL (No. 4)

In Committee

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

Clauses 1 and 2 put and passed.

Clause 3—Sections 33A and 33B added:

The Hon. G. E. JEFFERY: I move an amendment—

Page 4, line 16—Add the following subsection:—

(5) (a) The holder of an extraordinary license issued under this section may from time to time during the currency of the license apply to the Court in the manner provided in subsection (1) of this section, for an order varying the limitations and conditions to which the license is for the time being subject or cancelling and substituting other limitations and conditions therefor.

(b) If the Court is of opinion that the limitations and conditions, to which the extraordinary license is then subject, should be varied or cancelled and other limitations or conditions substituted therefor for the reason that the complainant has changed his place of residence, place of employment or hours of employment or for any other reason which the Court considers sufficient, the Court may order accordingly.

(c) When an order is so made, the Commissioner of Police shall cause the limitations and conditions as so varied or substituted to be endorsed on the license.

(d) The Court may order the complainant to pay the whole or any part of the costs of an application made under this section.

I appreciate the assistance given to me by the Minister for Local Government, by Mr. Shillington, and by the Crown Law Department's draftsman, in the framing of this amendment. The Bill makes provision for the issue of extraordinary licenses, and the Police Department may at the end of every 12 months renew the licenses, providing the holders have not committed any further breach.

The situation envisaged under the amendment is that a person who has received an extraordinary license may be faced with altered circumstances since the issue of the license. He may be an employee of the Water Supply Department living in West Perth. The magistrate may have granted the extraordinary license for the period of 15 minutes before commencement of work, until 15 minutes after his knock off time. That would be sufficient to enable him to travel to work and return home while he was residing in West Perth. Then he may change his place of residence to Nollamara or Riverton, and require more time to travel to and from work.

If this amendment is agreed to, this person will be able to apply to the magistrate for a variation in the hours, and the magistrate will be empowered to accede to the application.

The Hon. L. A. LOGAN: I approached the Crown Law Department in respect of these amendments, and they were drafted by the department in accordance with the wishes of the honourable member who moved them. They are acceptable to the Government. For that reason I support the amendment.

Amendment put and passed.

The Hon. G. E. JEFFERY: I move an amendment.

Page 4, line 35—Add after the word, "fit," the words, "unless the Court thinks that, having regard to the special circumstances of the case, a fine would be an adequate punishment, for the offence."

The Hon. G. E. JEFFERY: When looking at the relevant clause in the Bill, it will be seen that a person who commits a breach can be fined up to £100; and, in addition, it is mandatory for the magistrate to cancel his license. If my amendment is agreed to, the mandatory provision will be eliminated. The court, having regard to the special circumstances of the case, would then be able to vary the punishment and merely fine the individual. His breach could be a very small one, and the magistrate might fine him only £1. For instance, a car may break down on a major highway, such as the Kwinana Freeway. The driver would have to get assistance to remove the vehicle, thereby forcing him to drive at a time when the license had actually expired. In a case of that sort, the clause would give the magistrate the power of discretion, which is an excellent power for him to have in a matter of this nature.

The Hon. L. A. LOGAN: I would like to have progress reported on this clause because the amendment, as submitted, is not worded as it should be; and, in order to obtain the correct wording, I desire a little extra time.

The DEPUTY CHAIRMAN (the Hon. G. C. MacKinnon): Would Mr. Jeffery be prepared to withdraw his amendment for the benefit of the Clerks?

The Hon. G. E. JEFFERY: Yes.

Amendment, by leave, withdrawn.

Progress reported to a later stage of the sitting.

(Continued on page 3441.)

METROPOLITAN REGION IMPROVEMENT TAX BILL

Second Reading

Debate resumed from the 12th November.

THE HON. H. K. WATSON (Metropolitan) [5.3]: For reasons which I will explain in a moment, I appeal to the Minister and to the House to refrain from considering this Bill further this session. In 1957 a similar Bill made its appearance on the notice paper, but it was not dealt with by the House. However, nothing occurred as a result. No such Bill appeared in 1958, but the town planning scheme went on as previously. I suggest that if this Bill were delayed for another 12 months, no harm would be done, because the scheme would again continue to be implemented.

I emphasise the point that when we were considering the question of the special metropolitan land tax in connection with the town planning Bill which has since passed both Houses, there was a doubt in the minds of some members that if the amendment to that Bill had been persisted with, the whole measure might have been wrecked.

The Hon. F. J. S. Wise: No-one wanted to wreck that Bill.

The Hon. H. K. WATSON: That is so. My definite understanding is that no-one wanted to wreck the Bill. Anyhow, it cannot be wrecked now because it has been passed by both Houses and only requires the Governor's assent to become law. Therefore, whatever happens to this Bill cannot have any real effect on the efficacy of the Bill that has been passed. It can come into operation, and everything contained in it can be put into effect.

There are two reasons why I suggest that this Bill should be deferred for 12 months, the first being that in that period the Government would have an opportunity for a little further contemplation of the view already expressed that the financing of this development authority should be a matter for Consolidated Revenue, rather than the subject of a special tax upon the metropolitan area. My second submission is that the Premier, in his policy speech at the last general elections, did not make any mention of introducing an extra land tax of one halfpenny in the £ in the metropolitan area, but he did promise a reduction. Being a simple-minded person myself, I—and a lot of other simple-minded people—assumed that during this session there would be a Bill introduced to reduce land tax by 20 per cent., as was promised. That Bill has not made its appearance. Not only has it not made its appearance, but the Minister has made it very clear that it will not make its appearance.

I suggest to the Minister that, in just the same way as the Bill to reduce land tax by 20 per cent. is not going to make its appearance until 1960, in common fairness this Bill we are now considering ought likewise not be presented to Parliament until 1960. I do not desire to repeat all I said when dealing with the complementary measure, but in order to emphasise one of the points I made earlier, I would like to read this letter from the Cockburn Road Board which arrived at my office last Friday, before the vote was taken on Friday afternoon. It is as follows:—

> At the last Town Planning Committee meeting of my Board a unanimous motion was carried complimenting you upon the rejection of a special metropolitan land tax to finance the metropolitan regional town planning scheme.
>
> My Board have a Town Planning Consultant, Miss M. Feilman, B.A., Dip.T.P. (Dunelm.), A.R.I.B.A., A.M.T.P.I. (Lond.), A.R.A.I.A., and we are at the moment spending £2,000 upon a district zoning scheme, which incorporates aerial photography, contouring, checking each lot and including all lines of communications as a ground work prior to an overall scheme.
>
> After waiting three years for a town planning scheme as promised by the Town Planning Board we received some shaded sections on a standard 341.A40 Lands Department litho.
>
> It is felt that each local authority should have a Town Planning Scheme but after all it is entirely the duty of such local authority to prepare same.

That illustrates the point I was trying to make the other day. It may be true that Geraldton, Albany, and Bunbury have their own town planning schemes, for which they pay themselves. But that happens to be not only so in the case of those towns, but also in regard to Cockburn, Darling Range, Melville, and other places; and this scheme before us is, I submit, a State-wide scheme.

I also had a letter from a resident of Kalamunda in the Darling Range area. Why he wrote to me has not been stated, but he says that he is not quite clear as to why he should bear a land tax for the proposed extension of the road from the Narrows Bridge to North Perth. Incidentally, he points out—and in so doing confirms a statement I made the other night—that whereas 11 years ago his total land tax, water rates, and road board rates were £7, today they are £65. He echoes my complaint that there is a limit to which special taxes can be imposed on property.

For these reasons I make a special appeal to the Minister not to proceed with this Bill during the current session, but to take time during the recess to consider

whether he will still persist with the idea of a special tax on metropolitan land or whether the money will be taken, as I have suggested, out of general revenue.

Many property owners in the immediate vicinity of this Chamber are greatly alarmed about this proposed tax. I received an urgent phone call this morning from one such property owner who last week was caught for £3,000 by virtue of the Hire-Purchase Bill which was passed, and he is going to be caught for several hundred pounds by this tax. He has rightly said that there is a limit to which his business can withstand the impositions of Parliament.

THE HON. F. J. S. WISE (North) [5.14]: I believe that the observations of Mr. Watson are very timely. It was interesting to hear the letter read from the Cockburn Road Board. I am wondering whether only Mr. Watson is entitled to receive such a letter, because if he were not the only one, the thanks would be a little bit premature I suggest.

The case that he has made for the postponement of this legislation is very sound. The Bill which is vital to the development of the whole of the metropolitan region has been passed. It was a Bill which in principle, in so far as metropolitan regional planning is concerned, was supported by every member who spoke to it. There is nothing to stop the implementation of the regional plan within the authority given by the Bill which has been passed by both Houses.

The promised legislation to reduce the land tax not having arrived, and certainly unlikely to arrive this session or, maybe, next session, means that there will be no reduction in the land tax as such. The amount proposed to be raised by this tax could well come from the land tax; indeed, more money than is necessary for this plan is now tied up in land tax, and if the 20 per cent. reduction were granted there would be sufficient to finance the implementation of the Government's desires from that source.

I hope that the Government will see its way clear to take Mr. Watson's advice, and defer or postpone the Bill without worrying about amending it in Committee along the lines proposed.

THE HON. J. G. HISLOP (Metropolitan) [5.16]: The storm of criticism over this Bill grows day by day, and while I might have been criticised by the newspaper, because it thought I was going to object to the tax, the criticism from the ratepayers has grown considerably since I voted with the Government to help pass the town planning measure which has recently been agreed to by both Houses. A number of people have contacted me or sent me messages protesting—

The PRESIDENT: The honourable member has already spoken to this Bill.

The Hon. J. G. HISLOP: I apologise, Mr. President.

THE HON. L. A. LOGAN (Midland—Minister for Local Government—in reply) [5.17]: This House recently debated clause 38 of the Metropolitan Region Town Planning Scheme Bill. Part of clause 38 reads—

> The authority shall pay or cause to be paid to the Fund—
>
> (a) the proceeds of the Metropolitan Region Improvement Tax referred to in section forty-one of this Act;

That, in effect, is the regional tax we are now discussing; and the House agreed that that tax should be paid to the authority. Now we have a set of circumstances under which members are saying that that tax may be paid to the fund, but there will be no money with which to pay it.

The Hon. F. J. S. Wise: They are only two of the sources of revenue provided for in the Bill which has already been passed; and you know it.

The Hon. L. A. LOGAN: The clause states—

> The authority shall pay or cause to be paid to the Fund—
>
> (a) the proceeds of the Metropolitan Region Improvement Tax referred to in section forty-one of this Act.

The House has already agreed to that provision.

The Hon. H. C. Strickland: What about (b) and (c)?

The Hon. L. A. LOGAN: If we defeat this measure that provision will not be able to apply, even though the House has already agreed to it. That is a fair assessment of the position. Some members say that we can go on without this tax for another 12 months. In my opinion, we cannot do that. People in the metropolitan region have been waiting to know what their position is likely to be; and they have been waiting for a considerable period. I do not want them to wait any longer than is absolutely necessary.

The Hon. H. C. Strickland: Use the punters' tax money, if the Bill goes through.

The Hon. L. A. LOGAN: If this Bill is defeated the authority will be deprived of the necessary money to enable it to put the plan into operation. I am quite prepared to accept the amendment which is on the notice paper, because that ties in with the life of the town planning Bill; but I hope the House will not accept the other amendment, or that members will defeat the Bill. An authority such as this, which is set up to implement a town planning scheme, should not have to rely on hand-outs.

I gave a solemn undertaking that this matter would be reviewed, and so it will be. Mr. Wise said that I told the House that maybe legislation to reduce the land tax would be introduced next session, if

not this session. I gave a solemn undertaking that that would be done. Although the Premier made that statement on the hustings, and promised that land tax would be reduced, he did not say when it would be reduced. Ordinarily a Government has a life of three years and, during that period, it puts its policy into operation. There is nothing wrong with that procedure.

The Hon. R. Thompson: The Premier did not say he would introduce this tax.

The Hon. L. A. LOGAN: Legislation identical with this was introduced in 1957 by the then Labor Government. It was supported by Mr. Wise, Mr. Strickland, and every other Labor member in this House.

The Hon. H. C. Strickland: But there are three sources.

The Hon. L. A. LOGAN: This legislation is identical with that introduced in 1957 to provide for a metropolitan region tax of one halfpenny in the £.

The Hon. A. F. Griffith: There is a difference; they are in Opposition now.

The Hon. L. A. LOGAN: Yet now Mr. Wise says it is timely for Mr. Watson to suggest that this legislation should be defeated. If it was timely for the legislation to be introduced in 1957, it is even more timely for it to be passed now, because people have been waiting for two years for something to happen. But nothing has happened so far.

The Hon. H. C. Strickland: What about the land tax?

The Hon. L. A. LOGAN: The honourable member's Government increased the land tax, and pretty steeply, too.

The Hon. H. C. Strickland: But you promised to reduce it.

The Hon. L. A. LOGAN: The honourable member's Government also introduced a lot of other taxes.

The Hon. W. F. Willesee: But you have not removed them.

The Hon. L. A. LOGAN: We have removed two of them.

The Hon. H. C. Strickland: Only £3,000 for the entertainments tax.

The Hon. L. A. LOGAN: No; more than that. I appreciate the contents of the letter which Mr. Watson received from the Cockburn Road Board; but do not let us forget that I have had people telephone me, and I have had discussions with different organisations in this city which are astounded at the attitude Mr. Watson took. So do not let us talk about these different people and organisations, because some of them were not so happy about his attitude. However, I do not intend to—

The Hon. H. K. Watson: They have not been in touch with me.

The Hon. L. A. LOGAN: They have been in touch with me. The Cockburn Road Board has not contacted me; that body wrote to the honourable member. I hope the House will not agree to the proposed amendment, or even to the suggestion made by Mr. Watson that we drop the Bill. If that suggestion is supported, members will be going against something to which they have already agreed. As I said earlier, I am prepared to accept the amendment that ties in with the life of the planning Bill. If that is agreed to, we can review the position at the end of the two years. I hope the House will pass the second reading.

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

Ayes—14.

Hon. C. R. Abbey	Hon. G. C. MacKinnon
Hon. J. Cunningham	Hon. R. C. Mattiske
Hon. L. C. Diver	Hon. H. L. Roche
Hon. A. F. Griffith	Hon. C. H. Simpson
Hon. J. G. Hislop	Hon. J. M. Thomson
Hon. L. A. Logan	Hon. F. D. Willmott
Hon. A. L. Loton	Hon. J. Murray
	(Teller.)

Noes—13.

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

Pair.

Aye	No
Hon. A. R. Jones	Hon. W. F. Willesee

Majority for—1.

Question thus passed.

Bill read a second time.

In Committee

The Chairman of Committees (the Hon. W. R. Hall) in the Chair; the Hon. L. A. Logan (Minister for Local Government) in charge of the Bill.

Clause 1 put and passed.

Clause 2—Metropolitan Region Improvement Tax:

The Hon. H. K. WATSON: I move an amendment—

> Page 1, line 11—Delete the word "sixty" and insert in lieu the word "sixty-one."

If the amendment is agreed to the tax will apply for the first time for the financial year beginning the 1st July next.

We are already half way through this financial year, and if the principle of a special metropolitan tax is to be accepted, it should not commence to run until the financial year commencing the 1st July next and ending the 30th June, 1961. That would be the year in which the Minister has assured us there would also be a reduction of land tax.

The Hon. L. A. LOGAN: I do not intend to go over the ground again. We have discussed this aspect very fully. I hope the Committee will not agree to the amendment.

The Hon. J. G. HISLOP: Much as I do not like to distress the Minister by constantly referring to this matter, I suggest it may be possible for him to consider delaying the measure until the proposed new session early next year. We could then investigate where the impost would fall. A businessman rang me up today and pointed out that when the land tax was imposed, it raised his rental to £3,750 a year; an additional tax of over £300. By hire-purchase taxation we have imposed on his business, that amount will be raised by a further £350. This increase will mean that that firm, with a frontage of 50-odd feet in the city, will be paying £100 in tax.

Most of this tax will come out of the central city area; and it is a question of whether the impost is being made correctly. I realise that we must get on rapidly with our town planning development, and that we must have money to carry out the work, but it seems that we should not impose this tax on people who cannot afford it. If we could postpone consideration of this measure until the next session, which is likely to be held in March, we will overcome a lot of the criticism from the city area. Unless we obtain the co-operation of the people who are to participate in this town planning development scheme, progress is likely to be hindered. I pointed out recently that the development association of Melbourne had done a wonderful job. We should not incense those whose help we want in this scheme; and I would ask the Minister to postpone consideration of the Bill.

The Hon. L. A. LOGAN: While there may be rumours of a sitting in March, I could not guarantee such a happening; so Dr. Hislop's suggestion, if agreed to, could mean a loss of twelve months' tax, which is essential for this authority. I gave some figures earlier as to what one halfpenny in the £ would mean. A place in central Hay Street with a 50-ft. frontage would pay £156 5s. The most any householder would pay would be £3 19s. 2d.; and that would be in Mosman Park and Peppermint Grove. In Midland Junction the average would be 8s. 4d.

The Hon. H. C. Strickland: That is if valuations remain the same.

The Hon. L. A. LOGAN: The Government has no control over valuations; that is the job of the local authority. As I have already said these areas have been revalued.

The Hon. H. C. Strickland: With the inflationary trend they will be revalued again.

The Hon. L. A. LOGAN: If the values rise then the value must be there.

The Hon. H. C. Strickland: Not the real value.

The Hon. L. A. LOGAN: Mr. Watson is worrying about our reaching saturation point. But people are still purchasing blocks today and paying large sums for them. They are not worried about the one halfpenny in the £. Unless this authority can be given financial backing, it cannot operate as it should. If we put this off till March, those who have been waiting for years will have to wait another twelve months. I oppose the amendment.

The Hon. F. R. H. LAVERY: It is all very well for the Minister to say that most of these districts have been revalued. There are a lot of people in Applecross, who are not of my political faith, who are very upset.

The Hon. L. A. Logan: Everybody is upset about taxation.

The Hon. F. R. H. LAVERY: Some of these people have bought nice homes and have paid as much as £5,000 and £6,000 for their blocks of land. Members can ask Mr. Roche what is happening.

The Hon. H. L. Roche: I am not worried.

The Hon. F. R. H. LAVERY: That may be so, but the people in these nice homes are battling as it is. Mr. Watson's argument has great merit. It is all right for the Minister for Mines to sit there with a funny grin on his face, but he is not affected.

The Hon. A. F. Griffith: You don't even know what I am saying.

The Hon. F. R. H. LAVERY: All I am concerned about is that funny looking grin on the Minister's face. As Mr. Watson said, the promised reduction of land tax by the Premier cannot be effected until next year. Now we propose a further land tax on the community. As Dr. Hislop said, this has reached saturation point. I support the amendment.

The Hon. R. C. MATTISKE: It is regrettable that this Chamber has no power to deal with Bills affecting finance.

The Hon. A. F. Griffith: That is another silly grin I have on my face!

The Hon. R. C. MATTISKE: This measure is an excellent example of that. When the first move was made to introduce a metropolitan regional plan and to raise finance for it, I was of the opinion that the financial burden should be spread throughout the State, and I endeavoured to introduce an amendment to that effect, but was ruled out of order. The only recourse I had to get the matter reviewed in another place was to vote against the taxing clause.

The result was that the Bill was referred back to that other place and was considered at length in Cabinet. Prior to the Bill returning here, I had an opportunity of discussion with the Minister for Local Government, and the Treasurer, and, as a result, I am satisfied that, much as I am opposed to a tax of this nature being

applied to one section of the community only, I have no alternative but to support the measure; that is because of the confusion that would ensue in regard to those people who have property which up till now has been frozen.

I do not refer to the big people with factory land, or land in the city area, but to the hundreds of people who have land which they bought in good faith and which may be involved in the provision of electric railways lines or something like that. There are thousands of such people in the area in which I live. People have bought land on which to build and have since been told that they can neither build nor sell their blocks. We must proceed with this measure immediately to give those people some relief one way or another. I still dislike the principle of sectional taxation but, if, as the Treasurer has said to me privately, the finances of the State are such that they cannot bear the cost of £140,000, then there is no alternative but to support the measure. We have had an assurance that the cost will not be increased beyond one halfpenny in the £.

If it can be tied down to two years, and no longer, we will then have an opportunity of seeing how the plan is faring; we will have a better opportunity of knowing what costs will be involved; and we will have an opportunity of deciding whether there should be any tax, and the extent of the tax, if any. We can then vote with clear minds on the taxing measure that may be introduced, knowing in more detail what will be involved.

The Hon. H. K. WATSON: If the proposal to impose this one halfpenny in the £ tax had been placed before us in 1955, or even in 1956, I would not have objected; and no-one else would have objected. I feel sure of that. I do not know whether Mr. Mattiske was here in 1956, but I would remind him and the Committee that, in 1956, the land tax payable in the metropolitan area was lifted by £1,000,000 per year. Land tax collections went up from £400,000 to £1,400,000; and 90 per cent. of that money came from the metropolitan area—most of it from the city. A lot has been said about that terrific increase which, in some cases, was from £50 to £300 or £400. I remember one case where land tax rose from £3,000 to £15,000; and Dr. Hislop mentioned a case where it rose from £400 to £3,000.

I submit that the increase which took place then was sufficient to finance the metropolitan regional development plan; the country regional development plan; the sputnik development plan; the lunar development plan; or any other plan which might have escaped my imagination. An amount of £1,000,000 per year should be sufficient to look after the matter we are now dealing with.

Amendment put and a division called for.

The CHAIRMAN: Before the tellers tell, I give my vote with the ayes.

Division taken with the following result:—

Ayes—13.

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

Noes—14.

Hon. C. R. Abbey	Hon. G. C. MacKinnon
Hon. J. Cunningham	Hon. J. Murray
Hon. L. C. Diver	Hon. H. L. Roche
Hon. A. F. Griffith	Hon. C. H. Simpson
Hon. J. G. Hislop	Hon. J. M. Thomson
Hon. L. A. Logan	Hon. F. D. Willmott
Hon. A. L. Loton	Hon. R. C. Mattiske
	(Teller.)

Majority against—1.

Amendment thus negatived.

The Hon. H. K. WATSON: I move an amendment—

> Page 1, lines 11 and 12—Insert after the word "thereafter" the words "up to the year of assessment ending on the thirtieth day of June, one thousand nine hundred and sixty-two."

Amendment put and passed.

The Hon. L. A. LOGAN: I move an amendment—

> Page 2, line 1—Delete the words "Town Planning and Development Act, 1928," and substitute the words "Metropolitan Region Town Planning Scheme Act, 1959."

This amendment is necessary because of the alteration to the title of another Bill.

Amendment put and passed.

The Hon. F. J. S. WISE: I move an amendment—

> Page 2, line 2—Delete the word "halfpenny" and substitute the word "farthing."

This afternoon, in Committee, we have heard of the seriousness of the impost of taxation on land in the metropolitan area; and the serious impact on business premises in the metropolitan area of a Bill passed last week—to wit, the Stamp Act Amendment Bill—in regard to hire-purchase agreements. The moving of this amendment will provide an opportunity to test the feelings of members who have definitely spoken against this Bill's continuing; and to test the opportunity of reducing this tax, which has been shown to be unnecessary by the increasing burden being placed on the people—in the words of other members—by the land tax as it applies today. Now we have the opportunity for the Government to look very carefully at this measure, to ensure that there will be a greater equity in the levying of this tax. In anticipation of a reduction of land tax next year, no harm can come if this amendment is accepted.

The Hon. L. A. LOGAN: As the Leader of the House has a motion to put before members prior to the tea adjournment, I shall ask that progress be reported to a later stage of the sitting.

Progress reported to a later stage of the sitting.

ART GALLERY BILL

Continuation of Managers' Conference

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

> That the Legislative Council advises the Legislative Assembly that it is desired that the conference of managers on the Art Gallery Bill be continued at 6.45 p.m. on Tuesday, the 24th November, in the Ministers' Room of the Legislative Council.

I regret the necessity to interrupt the previous proceedings, but unless this message is conveyed to the Legislative Assembly and returned to this Chamber before 6.15 p.m., there will be no opportunity to hold the conference. Therefore, in the circumstances, I hope I am forgiven.

Question put and passed, and the Legislative Assembly acquainted accordingly.

METROPOLITAN REGION IMPROVEMENT TAX BILL

In Committee

Resumed from an earlier stage of the sitting. The Chairman of Committees (the Hon. W. R. Hall) in the Chair; the Hon. L. A. Logan (Minister for Local Government) in charge of the Bill.

Clause 2—Metropolitan Region Improvement Tax (partly considered):

The CHAIRMAN: Progress was reported on the clause after the following amendment had been moved by Mr. Wise:—

> Page 2, line 2—Delete the word "halfpenny" and substitute the word "farthing."

The Hon. L. A. LOGAN: At least I can say that members are persistent and consistent in endeavouring to do something about this Bill.

The Hon. H. C. Strickland: Do justice to it.

The Hon. L. A. LOGAN: Mr. Watson spoke about the steep increase in land tax. Surely that was as a result of the introduction of a measure by the Labor Government, in which Mr. Wise and Mr. Strickland were Ministers. They were the ones responsible for that special increase in land tax.

The Hon. H. C. Strickland: You wanted to vote it out.

The Hon. L. A. LOGAN: Perhaps I did.

The Hon. H. C. Strickland: Now you want to put it in.

The Hon. L. A. LOGAN: The honourable member wants the rate reduced from one halfpenny to one farthing. We could probably say this is being pound foolish and farthing wise.

The Hon. F. J. S. Wise: I have a daughter named Penny Wise.

The Hon. L. A. LOGAN: The amount of one farthing is ridiculous when we consider the sum required. It would not give us sufficient money.

The Hon. F. J. S. Wise: You would have to get some from Consolidated Revenue.

The Hon. L. A. LOGAN: There is nothing in Consolidated Revenue.

The Hon. H. C. Strickland: What have you done with it?

The Hon. L. A. LOGAN: We have taken loan funds in order to fund the Consolidated Revenue deficit which was made by the Labor Government in 1957-58.

The Hon. H. C. Strickland: What a joke!

The Hon. L. A. LOGAN: That is a fact; we had to take £773,000 out of this year's loan funds in order to fund the deficit for 1957-58.

The Hon. F. J. S. Wise: There is nothing unusual in that.

The Hon. L. A. LOGAN: That is so, but now the honourable member says to take more money out of Consolidated Revenue. I hope members will not agree to the amendment.

The Hon. H. C. STRICKLAND: This is a fair proposition. After all, the Minister has, on more than one occasion, attempted to lead us to believe that this is the only source of revenue available to the Government with which to finance the regional planning scheme. But members will recall that we passed a Bill which left other avenues open. Property-owners who are not viticulturists, nurserymen, apiarists and so on are the only ones required to pay the tax. But the principal measure distinctly says that the authority can raise the money by loan; or that it can be supplied with money from any other source from which the Government might like to provide it.

So this reduction of one farthing would be something in the nature of a concession to those who will have to stand the full brunt of the cost of the scheme; that is, if we take the Minister's explanation as being correct. He has told the Chamber time and time again that unless this tax is imposed, the scheme will fall down. That is absolutely incorrect. The Minister says, "Where can we get the money? There is no other source." The principal measure, which has already passed Parliament, and the Bills that are before Parliament at the moment, leave ample scope for the finding of the money which would

be lost to the Government if the amendment were agreed to. The amount involved, from memory, is only about £100,000.

One reason why I am supporting the amendment, and why I have opposed the measure right through, is because the Government intends, according to the Minister, to use only this tax for the purpose of the scheme. He has told us repeatedly that the scheme will fail unless the tax is imposed. Another reason why I support the amendment is this: I cannot see why poultry-farmers—wealthy poultry-farmers; and there are some who are wealthy as well as some who are poor —should be exempt.

The Hon. A. F. Griffith: That is an expression that would be new to the industry.

The Hon. H. C. STRICKLAND: I cannot see why a stud farm should be exempt if horse-racing is an industry. But the Minister says that the breeding of livestock is an agricultural pursuit. There are many nurseries within three or four miles of the centre of the city, and they will appreciate in value as a result of the over-all scheme. I cannot see why they should be exempt from the tax. It has been said that we have passed the principal legislation, and that nothing can now be done about this matter. But the position of those who are to be called upon to pay the impost should be made a little bit easier.

Why should a prosperous agriculturist, situated close to the city, not be called upon to pay this tax, when someone on a fixed income, in his own home, will be called upon to pay it? I feel that this is a reasonable proposition. The Minister has been rather unreasonable and adamant in seeking proposals which he would not allow the previous Government to pass. As the Committee has agreed to the legislation having a life of two years, I see no reason why the amendment should seriously affect the scheme in any way; except, perhaps, that the Government would have to use some of its Consolidate Revenue money to finance the scheme.

The Hon. H. K. WATSON: I support the amendment, largely for the reasons just mentioned by Mr. Strickland. Even in this measure we find there is an exemption for agriculturists and the others that are mentioned. Where is the logic or fairness in exempting land that is used for the purposes mentioned in an area that will have a high value for subdivisional purposes, when, on the other hand, the tax will be imposed on properties owned by non-profit organisations and by churches? Anzac House, church property, and property owned by various clubs that are non-profit making organisations, will be subject to this tax, yet certain industries will be excluded from it.

The Hon. L. A. LOGAN: The reasons why the exemptions are made, are exactly the same as those that applied to the exemptions in 1957; and both Mr. Strickland and Mr. Wise agreed with those exemptions. The reason is to keep within the metropolitan region some open spaces and some agricultural pursuits, because if those engaged in agricultural pursuits are not given an exemption they will be clamouring for sub-division. This is an incentive for those engaged in such activities to remain in them. They are the exact words which Mr. Tonkin used in 1957; and they are the same words and ideas that Mr. Strickland used in the same year.

The Hon. H. C. Strickland: And you voted the measure out.

The Hon. L. A. LOGAN: I did not vote it out.

The Hon. H. C. Strickland: Which you opposed.

The Hon. L. A. LOGAN: I did not oppose it; I supported the 1957 measure.

The Hon. H. C. Strickland: What did you do in 1958?

The Hon. L. A. LOGAN: The measure was not brought down in 1958, but it should have been. Had it been introduced in that year, it would be law by now and I would not have all this trouble.

The Hon. F. J. S. Wise: That must be a major regret.

The Hon. L. A. LOGAN: It is.

The Hon. H. C. Strickland: I am sorry; it was your colleague.

The Hon. L. A. LOGAN: It is regrettable that we have for so long, been playing on the nerves of people waiting for some relief.

The Hon. F. J. S. Wise: You are the ones who are doing that.

The Hon. L. A. LOGAN: The Bill was introduced into Parliament early in the session, and I thought everything would be home and dried by now, but here we are in the last week of the session, and we are still dealing with it.

Amendment put and a division called for.

The CHAIRMAN: Before the tellers tell I give my vote with the ayes.

Division taken with the following result:—

Ayes—14.	
Hon. G. Bennetts	Hon. G. E. Jeffery
Hon. E. M. Davies	Hon. F. R. H. Lavery
Hon. J. J. Garrigan	Hon. H. C. Strickland
Hon. W. R. Hall	Hon. R. Thompson
Hon. E. M. Heenan	Hon. H. K. Watson
Hon. J. G. Hislop	Hon. F. J. S. Wise
Hon. R. F. Hutchison	Hon. J. D. Teahan
	(Teller.)

Noes—14.	
Hon. C. R. Abbey	Hon. G. C. MacKinnon
Hon. J. Cunningham	Hon. R. C. Mattiske
Hon. L. C. Diver	Hon. J. Murray
Hon. A. F. Griffith	Hon. H. L. Roche
Hon. Sir Chas. Latham	Hon. C. H. Simpson
Hon. L. A. Logan	Hon. J. M. Thomson
Hon. A. L. Loton	Hon. F. D. Willmott
	(Teller.)

The CHAIRMAN: The voting being equal, the question passes in the negative.

Amendment thus negatived.

The Hon. F. J. S. WISE: Have you, Sir, put the clause?

The CHAIRMAN: No, and I shall not put it. The Committee has agreed to some requested amendments, and they will be sent to the Assembly in a form different from the usual form.

The Hon. H. K. WATSON: Is the question before us that the clause be agreed to? The amendments the Committee has agreed to will go to the Assembly as requested amendments, and they will later come back here.

The CHAIRMAN: We will resume at this stage.

Bill reported with amendments, and message accordingly returned to the Assembly requesting that the amendments be made, leave being given to sit again on receipt of a message from the Assembly.

Sitting suspended from 6.15 to 7.30 p.m.

ART GALLERY BILL

Conference Managers' Report

THE HON. A. F. GRIFFITH (Minister for Mines): I have to report that the managers met in conference and reached the following agreement:—

No. 1.
Not agreed to.

No. 10.
Not agreed to.

No. 11.
The Managers decided that clause 26 be amended to read as follows:—

Selling or exposing for sale works of art in Art Gallery prohibited.

26. (1) Subject to the provisions of subsection (2) of this section, no person shall sell, offer for sale or expose for sale or permit or suffer to be sold, offered or exposed for sale, in the Art Gallery any work of art that belongs to him and is being exhibited in the Art Gallery.

Penalty: Fifty pounds.

(2) The provisions of this section do not apply to any work of art that is being so exhibited pursuant to an agreement or arrangement made by or on behalf of the State or the Board with the Commonwealth or any other State of the Commonwealth or foreign country or the trustees or governing body of any other art gallery.

I move—

That the report be adopted.

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

TRAFFIC ACT AMENDMENT BILL (No. 4)

In Committee

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

Clause 3—Sections 33A and 33B added (partly considered):

The DEPUTY CHAIRMAN (the Hon. G. C. MacKinnon): Progress was reported on the clause after the following amendment had been moved by Mr. Jeffery:—

> Page 4, line 35—Add after the word "fit" the words ", unless the Court thinks that, having regard to the special circumstances of the case, a fine would be an adequate punishment, for the offence."

The Hon. L. A. LOGAN: I reported progress after Mr. Jeffery had moved his amendment, because I wished to move an amendment but I was not sure of the wording. We have now passed the clause which I wished to amend and I will therefore have to recommit the Bill for further consideration of clause 3. At this stage I have no objection to Mr. Jeffery's amendment.

Amendment put and passed; the clause, as amended, agreed to.

Title put and passed.

Bill reported with amendments.

Recommittal

On motion by the Hon. L. A. Logan (Minister for Local Government), Bill recommitted for the further consideration of clause 3.

In Committee

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

Clause 3—Sections 33A and 33B added:

The Hon. L. A. LOGAN: I move an amendment—

> Page 2, lines 16 and 17—Delete the words, "the Court before which he was convicted or by which the order was made" and insert in lieu the words, "any Court of Petty Sessions composed of a Stipendiary Magistrate."

A person living in Geraldton or Derby could be convicted in a court in Albany. To apply to the court before which he was convicted would cause great inconvenience. The amendment would allow him to apply to any court of petty sessions, and the stipendiary magistrate could make inquiries from the court which had made the order. The reason for mentioning the

stipendiary magistrate is that the Government does not desire justices of the peace to consider these applications.

The Hon. G. E. JEFFERY: For the reasons given by the Minister I support the amendment.

Amendment put and passed; the clause, as further amended, agreed to.

Bill again reported with a further amendment, and the report adopted.

Third Reading

Bill read a third time and returned to the Assembly with amendments.

ART GALLERY BILL

Assembly's Further Message

Message from the Assembly received and read notifying that it had agreed to the conference managers' report.

BETTING CONTROL ACT AMENDMENT BILL

Second Reading

Debate resumed from the 20th November.

THE HON. A. F. GRIFFITH (Suburban — Minister for Mines — in reply) [8.6]: You, Mr. President, have been kind enough to allow members to address themselves to the four Bills which appear in today's notice paper as items Nos. 5, 6, 7, and 8. Most members have taken advantage of that situation for the obvious reason that the four Bills are closely interrelated.

In replying to the debate on the Betting Control Act Amendment Bill, I ask members to bear in mind that I shall reply to the remarks which were made in relation to the four Bills. I am a little tempted, but temptation will not catch hold of me to a great extent, to refer to the fact that Mr. Strickland, when speaking to the first measure, charged this Government with having imposed a great number of taxes.

Whilst it is true that this Government has brought down some taxing measures —I suppose in the course of time it will be obliged to bring down other Bills to introduce taxes, and from time to time it will also introduce legislation to relieve taxpayers—I must refer to the volumes of *Hansard* which give the story of events which took place in the regime of the previous Government.

On page 17 of the 1958 *Hansard*, I asked the then Minister for Railways (Mr. Strickland) the following questions:—

(1) Will he read to the House a list of increased taxes and charges of all kinds since 1953?

(2) What are the percentage increases in each case?

(3) Are any further increased taxes or charges contemplated?

Mr. Strickland replied as follows:—

(1) and (2) Information for the years 1953-56 was furnished previously —See *Hansard*, Vol. 143, page 501.

He was referring to the 1956 Volume of *Hansard*. If one looks at that list, one will see the taxes imposed by the previous Government, as given in answer to a question asked by Sir Ross McLarty in the Legislative Assembly. I shall not weary the House by reading out the list. It is recorded in *Hansard*. In some instances the taxes and charges imposed on the people of this State were very much greater than the ones proposed under the measures before us.

The Hon. H. C. Strickland: Not 100 per cent. greater.

The Hon. A. F. GRIFFITH: One imposed by the previous Government was not 100 per cent. greater, but 200 per cent. greater.

The Hon. H. C. Strickland: Did it return £500,000?

The Hon. A. F. GRIFFITH: I am not saying what amount it returned. I am saying in answer to the interjection how much it was increased by.

The PRESIDENT: Interjections are disorderly. The Minister should not take any notice of them.

The Hon. A. F. GRIFFITH: I point that out, not to justify the situation or to make any excuse, but to illustrate that, contained in the volumes of *Hansard* to which I have referred, there are long lists of the taxes imposed by the previous Government on the people of Western Australia.

Some very interesting comments were made by various speakers when they addressed themselves to these Bills. When replying to the various addresses which were made in relation to the Government's proposals to increase taxes in respect of betting, I intend to deal only with the main points advanced by members, in order that I may clarify the major issues involved.

In the first place I want to comment on the remarks made by Mr. Jones. He felt that the proposed tax was too high, particularly in relation to the small bookmakers. When he spoke in this debate, he expressed the view that the Government did not appear to have given very much consideration to the rates.

I assure members that the Government spent a lot of time in analysing the problem, especially the question of the appropriate sliding scale of the turnover tax. When I make that statement I want members to bear in mind that the Government, prior to the last elections, made no secret of the fact that it proposed to introduce an increased sliding scale of taxes in respect of starting price bookmakers.

Information placed before the Government included a case submitted by the Premises Bookmakers' Association, and returns of various kinds which were prepared by Treasury officials at the Government's direction. The case put forward by the bookmakers, which was referred to by several speakers in the course of their addresses, showed an analysis of the accounts of 124 bookmakers in various categories of turnover, and purported to show the average net profit of each operator. As the figures originated from the bookmakers themselves, it would be obvious that they have to be treated with some reservations. But one fact can be accepted; that is, the figures can be taken to represent a minimum return to the bookmakers in the various groups. I think that is a fair assessment of the situation.

The figures supplied covered a little more than half of the bookmakers operating in this State; that is, 124 of them. To this extent the figures were deficient, because they represented only one half. The figures of net profit given for the various categories of turnover represent an average return to the bookmakers in each group. This average return is, of course, fictitious and very much on the low side, through the inclusion of bookmakers who operated at a loss or at a low profit, and who were obviously inefficient operators.

That means to say that in the grouping that was submitted, those people on the low rung of profit were grouped with those on the high rung and, therefore, the average must come down very considerably. That must be so when calculations of that nature are made. It all comes about because, although the figures could be taken as some sort of guide, adjustments are necessary to arrive at proper figures of net profit in the several groups.

As a result of the adjustment to the figures supplied by the bookmakers, and the submission of returns from the Treasury, the Government came to the conclusion that the scale of turnover tax provided for in the Bill could be justified.

Mr. Jones, when referring to the Betting Tax Investment Bill, stated that he supposed we could agree that if a person wished to derive some entertainment from the sport of racing, he should be prepared to pay for it. He gave us a submission of that nature, and he then went on to say that the proposals were a strange way of achieving that object, because the bookmaker would have the dual role of tax collector and bookmaker. I ask members, "Is that so strange?" After all, is not that precisely what happens in other forms of taxation—entertainments tax, for example? If one goes to a picture show, one sees the prices advertised for the various places in the theatre. One sees the price that one is expected to pay; and the tax is added to that amount. Therefore the picture theatre proprietor is no different from the bookmaker in that he collects the tax on behalf of the Government.

The Hon. R. Thompson: What about the course bookmaker?

The Hon. A. F. GRIFFITH: The course punter pays his entertainments tax at the turnstile, and in that case the man at the turnstile acts as the tax collector.

One of the reasons for imposing an investment tax is to counter the loss in revenue through non-attendance of the bettor at the course. As I was saying in answer to an interjection by Mr. Thompson, the punter goes to the course and pays his entertainments tax there; and, in turn, the amount is paid to the Treasury. So, I repeat, in that case the racecourse acts as the collector of the tax. If the punter attends a betting shop instead of going to the racecourse, he must surely pay the bookmaker, who would be the appropriate person to collect the tax.

The Hon. J. J. Garrigan: Not all of them can go to the course, can they?

The Hon. A. F. GRIFFITH: I am not suggesting for one moment that all of them can go to the course.

The Hon. J. J. Garrigan: But the investment—

The PRESIDENT: Order!

The Hon. A. F. GRIFFITH: I am simply suggesting that when the punter goes to the course he pays his entertainments tax through the turnstile; and an investment tax will provide that he will pay this tax through the S.P. bookmaker if he attends a shop.

The Hon. H. C. Strickland: The course punter sees the horses at the races.

The Hon. L. A. Logan: Not all of them. A lot sit around the wireless behind the screen.

The Hon. A. F. GRIFFITH: We must not forget, of course, that if it were not for the entertainment on the course, the show would not operate at all. Mr. Jones also queries the allocation to the clubs and describes it as an astonishing amount. I think Mr. Wise gave expression to similar words and said that it was an astonishing amount to pay to the clubs.

The Hon. F. J. S. Wise: It does not sound like a word of mine.

The Hon. A. F. GRIFFITH: All right, it was not the honourable member then. He pointed out that the Turf Club would receive £133,000 under the Government's proposals, whereas only £8,000 was received by the club last year, so that the allocation is roughly 14 or 15 times greater. This comparison ignores, of course, one very important fact; and I am unaware whether Mr. Wise knew of this when he

was addressing himself to the Bill. The fact is that the previous Government found it necessary in January last to authorise the payment of a special subsidy to the Turf Club because of the state of its finances at that time. This subsidy, which has been carried on for the time being by the present Government, pending the determination of a more satisfactory method of giving assistance to the clubs, has amounted to £34,000 for the first nine months of this calendar year.

The subsidy for a full year will be in the order of £45,000, and I point out that the payment which was made last year by the previous Government is doing no more than keeping the Turf Club afloat; certainly it is not sufficient to bring about the desired improvements.

Therefore if a true comparison is made between what the Turf Club is receiving and what it will receive under the Government's proposals, we should compare the figure of £53,000, which includes £45,000 paid by way of subsidy plus the £8,000, with the £133,000, which it is claimed is an astonishing amount, and which the Government now proposes to give to the Turf Club. Those are the comparative figures, and not the figure of £8,000 which we have been led to believe should be the basis of comparison.

It is admitted that the increase is substantial, but shortly I will have something further to say about it. The Government is very concerned with the fact that it inherited an arrangement made by the previous Government whereby the Consolidated Revenue of the State is burdened with a subsidy to the Turf Club, which amounts to £45,000 per annum. I would like to say now that Consolidated Revenue cannot continue to pay this amount.

The Hon. H. C. Strickland: It is collecting a million.

The Hon. A. F. GRIFFITH: It will if the Legislative Council sees fit to pass these Bills.

The Hon. H. C. Strickland: It is collecting a lot from off-course bookmakers.

The Hon. A. F. GRIFFITH: I repeat that Consolidated Revenue will not continue—and I am authorised by the Treasurer to say this—to subsidise the Turf Club to this extent if this legislation is not passed in its present form.

The Hon. H. C. Strickland: It is taking five to two now.

The Hon. A. F. GRIFFITH: The Government desires this arrangement to cease as soon as possible; and it is for this reason that it has sought another method of assisting the clubs by calling upon the bettors in the community to contribute. This, after all, is only reasonable.

The prime purpose of the investment tax is to provide funds for the clubs so that we can dispense with the present call on Consolidated Revenue and prevent any further increase in this burden. The present subsidy to the Turf Club is an embarrassing precedent and has led to an application from the Trotting Association for similar treatment. The Government does not desire to see this subsidy grow; and it is essential to seek and provide other means of making the clubs more financially secure.

The decision to pay the clubs on the basis now being advanced was not made lightly, nor was it made without a full investigation into the finances of the two clubs which will benefit most. The Treasurer had a detailed analysis made of the accounts of both the W.A. Turf Club and the W.A. Trotting Association and of the financial trends over the past few years.

The investigation, which was a very thorough one, revealed that assistance of the order now proposed was desirable if the present financial difficulties of the clubs were to be overcome and progress made towards rehabilitating the industry. I have heard the word "industry" quite a bit in this House in respect to this legislation.

The Hon. H. C. Strickland: What is wrong with the Industries Assistance Board taking a hand?

The Hon. A. F. GRIFFITH: Mr. Jones has suggested that the investment tax measure should not be proceeded with for another year so that we may see what the position is at the end of that time. A suggestion of that nature rather puzzles me as the investment tax is payable by the punter and not by the bookmaker who, under the provisions of the Bill, is required only to collect the tax from the person placing the bet. I covered that ground some ten minutes ago.

In view of the present burden on Consolidated Revenue through the subsidy payment to the Turf Club, and the need to prevent any extension of this arrangement, it is considered that there should be no deferment of the imposition of the tax. In fact the State cannot afford a deferment, and, for that matter, neither can the clubs. The suggestion which Mr. Jones made that the tax should be taken from the punter who wins, rather than from the punters who lose, is one that the Government is not in agreement with. We are not considering a winning bets tax. The justification for the tax is considered to lie in the fact that the off-course bettor makes no contribution today comparable with the admission charges and entertainments tax paid by the person who attends the course. The person who attends the course pays the charges whether he wins or loses; and so, in the opinion of the Government, should the off-course bettor. The person who attends the course does not go along to the window and say, "As a result of a bad day, I would like my entertainments tax back."

I would like to make some comments in respect to some of the statements made by Mr. Wise. He described the proposed investment tax as iniquitous, mainly on the grounds, apparently, that the tax will be a burden on the bettor himself. Of course it is a burden on the bettor, and it is considered that it should be so. The first purpose of this tax is to produce revenue for distribution to the clubs and to compensate Consolidated Revenue for the non-receipt of entertainments tax which the punter would pay if he attended the racecourse.

The question has been asked as to why the off-course punter should contribute to the clubs through the agency of investments tax. The answer is that he would be contributing to the clubs if he attended the course, in admission charges, turnover tax, and totalisator tax, on on-course betting. That situation, of course, is just a plain simple fact.

The Hon. H. C. Strickland: It is a long way to come from Wyndham.

The Hon. A. F. GRIFFITH: Of course we know that as quickly as the honourable member makes his interjection he leaves the Chamber.

The PRESIDENT: We will not discuss that angle.

The Hon. A. F. GRIFFITH: I realise that a person from Wyndham cannot attend the racecourse, and I also realise that the legislation with which we are dealing has that aspect under control.

As the off-course punter does not attend a course, and pays no admission charge to the club, although he bets on the races conducted by the club, he should bear some of the burden. If the clubs were not there to conduct the races there would not be any starting price betting on race horses.

The Hon. J. J. Garrigan: How did the S.P. bookmakers carry on years ago—say 20 years ago?

The Hon. A. F. GRIFFITH: The honourable member, coming from Kalgoorlie, should be well acquainted with the position, and should know how they carried on years ago.

The Hon. J. J. Garrigan: I do know.

The Hon. A. F. GRIFFITH: While I was one of those who voted against this legislation three years ago, I have stated publicly, and I say now, that a better state of affairs prevails today, with legalised betting, than existed previously. But that has nothing to do with how they carried on years ago.

The Hon. J. J. Garrigan: Of course it has!

The Hon. A. F. GRIFFITH: They carried on years ago, as has been said so often in this House and elsewhere, behind public conveniences, in lanes, and in other undesirable places. I am prepared to admit that the state of affairs which prevails today is more satisfactory than that which prevailed in the past. Nevertheless, the Government feels that, in accordance with the investigations it has made, it is entitled to increase the tax.

The Hon. J. J. Garrigan: On people who can't go to the course.

The Hon. A. F. GRIFFITH: When I say that, we have to bear in mind that if this is agreed to it will not be the first time that the tax has been increased. The Government asks, "Why should the person who does not attend the course be more favourably treated than the person who does attend the course, and who contributes directly to the upkeep of racing?" Mr. Wise proposes to move certain amendments. There is a long list of them on the notice paper, and I have a list of further amendments that he proposes to move.

One of his objectives is to take from the local clubs the tax on bets on Eastern States races. In this respect I feel that Mr. Wise has overlooked the fundamental reasons for the imposition of the tax; and they are, firstly, to compensate the clubs for the non-payment of admission charges; and, secondly, to compensate Consolidated Revenue for the loss of entertainments tax. Whether the punter bets on Eastern States or local events is immaterial; but because he chooses to place his bet in a betting shop rather than attend the course, he makes no contribution to the club or to Consolidated Revenue.

Of course, I appreciate, as Mr. Strickland mentioned a few moments ago, that it is not always possible for a man to attend a racecourse. One of the principal reasons for the introduction of this legislation, if my memory serves me correctly, is to provide facilities for the man who has no opportunity to go to the course to bet.

The provision in the Bill for the distribution of the investment tax is in accordance with the proportions of turnover on races of ridden horses and races of driven horses, and this provision has been made so as to arrive at a simple but logical distribution of the proceeds of the tax as between three sections—one, the Turf Club and its affiliated bodies; two, the Trotting Association and its affiliated bodies; and, three, Consolidated Revenue. The results obtained by applying the formula set out in the Bill are considered reasonable to meet the losses to the clubs and to Consolidated Revenue through non-attendance at the course.

On the basis of turnover in 1958-59, the percentage distribution of the proceeds of the tax would be, clubs 75 per cent. and Consolidated Revenue 25 per cent. If Mr. Wise's amendment were agreed to, the distribution would be, clubs 55 per cent. and Consolidated Revenue 45 per cent. I think that is the situation is it not?

The Hon. F. J. S. Wise: It is very close to it.

The Hon. A. F. GRIFFITH: That is not in any way in proportion to the respective losses incurred by the clubs and Consolidated Revenue through the non-payment of admission charges and entertainments tax. Of the distribution to the clubs, 70 per cent. would go to the turf clubs on the proposed basis, and 30 per cent. to the trotting clubs. This distribution is in direct proportion to the turnover on races of ridden horses and races of driven horses which, surely, is a clear indication of the preference of off-course bettors as between the gallops and the trots.

Mr. Wise has suggested certain alternatives to the Government's proposals, such as payment to the clubs of the whole of the turnover tax on off-course betting in lieu of the present 60 per cent. He pointed out that this would lift the Turf Club's share—

The Hon. F. J. S. Wise: Did you say off-course betting?

The Hon. A. F. GRIFFITH: On-course. If I said "off-course" I did not mean to say it. To put the record right, I think the honourable member's suggestion was a payment to the clubs of the whole of the turnover tax on on-course betting. Mr. Wise pointed out that this would lift the Turf Club's share of the tax from £27,518 in 1958-59 to £45,860, which is an increase of a little more than £18,000 per annum. As the Turf Club is already receiving a special subsidy from Consolidated Revenue at the rate of £45,000—and I respectfully suggest that this figure was not in the compilation of the figures put forward by Mr. Wise—and this arrangement was made by the former Government, it is obvious that Mr. Wise's proposition falls short of the present level of assistance to the Turf Club by £27,000 per annum, unless supplementary payments are to be made from some other source.

As I have said on two or three occasions during the course of these remarks, supplementation could come from Consolidated Revenue; but that is precisely what the Government wishes to avoid. The alternative is an allotment of the proceeds of the proposed investment tax, which at one stage in his speech Mr. Wise said should not be approved. I suggest to members that it is essential to levy the tax in order to remove the present burden on Consolidated Revenue, and to provide the clubs with sufficient finance to function at a proper level. When we look at the figures of the proposed distribution of the tax, we should not forget that the Turf Club is already receiving a special subsidy of £45,000 per annum. Of course, this subsidy would cease if the proposals now being advanced by the Government were approved.

The Hon. L. A. Logan: It has to cease in any case.

The Hon. A. F. GRIFFITH: That is so; Consolidated Revenue cannot keep it up.

The Hon. H. K. Watson: It could still come from Consolidated Revenue.

The Hon. A. F. GRIFFITH: It is coming directly from Consolidated Revenue now.

The PRESIDENT: Order! The Minister will please address the Chair.

The Hon. A. F. GRIFFITH: The supplementation made last year by the previous Government amounted to £45,000. Although Mr. Wise stated that the investment tax should not be approved, he went on to say that in case it is approved he proposed to make certain amendments to the measure. As a result of his amendments, Mr. Wise stated that the allocation of the investment tax would provide the Turf Club with £60,000. I do not know how the honourable member arrived at that figure. The calculations that have been given to me by the Treasury show that the Turf Club would receive £75,000 as its share of the investment tax under the proposal that the honourable member put forward. If the £18,000 extra turnover tax on on-course turnover, which Mr. Wise suggests should also be paid to the Turf Club, is added to the £75,000, we arrive at a figure of £93,000. This additional assistance of £93,000 per annum, which Mr. Wise proposes should be paid to the Turf Club, is not too far short of the figure suggested by the Government, namely, £120,000.

The Hon. F. J. S. Wise: The figure was £133,000.

The Hon. A. F. GRIFFITH: The figure of £120,000 is the amount which the Government proposes to pay to the club from the proceeds of the investment tax.

The Hon. F. R. H. Lavery: I have been led to believe it is £132,000.

The Hon. A. F. GRIFFITH: I do not know what the honourable member has been led to believe.

The Hon. F. R. H. Lavery: I read it in *Hansard*. That was the figure quoted during the debates in another place.

The Hon. A. F. GRIFFITH: I am sorry if the honourable member has mistaken the situation. These are the figures the Treasury has given me.

The Hon. F. J. S. Wise: You said £133,000 in your own speech.

The Hon. A. F. GRIFFITH: Yes. I suggested a few moments ago, and I suggest again, that Mr. Wise overlooked the special subsidy of £45,000 which is being paid to the Turf Club under the arrangement made by the previous Government.

The Hon. F. J. S. Wise: That makes my case better and yours worse.

The Hon. A. F. GRIFFITH: That is a matter of opinion. Nevertheless, I am obliged to say that I am surprised the honourable member did not make some reference to this figure, because, after all, it is considerable, and it is calculated in the whole arrangement, or has been up to the present time.

The Hon. F. J. S. Wise: Don't you start talking about any shortcomings in my figures, or I will tell you something about yours.

The Hon. A. F. GRIFFITH: I am sure the honourable member will do so, if he thinks he can. In actual fact, the Government's proposals provide for the payment to the Turf Club of £88,000 per annum at the present level of assistance to the club, which appears to be £5,000 per annum less than the amount which Mr. Wise is prepared to endorse.

The honourable member also suggested a scale of turnover tax on a basis different from that proposed by the Government. In this respect I should advise members that the Government gave consideration to at least 10 different approaches to this problem before finally choosing the one that is now being advanced in the legislation. I think it would be safe to say that we could go on indefinitely examining alternative proposals and not get very far in the long run. However, I would like briefly to analyse the proposition that has been put up by Mr. Wise.

In the first place the return from the scale of tax proposed by Mr. Wise would be approximately only one-half of the increased collections expected from the Government's proposals. Under the proposals contained in the Bill an additional £190,000 should be collected from tax on off-course turnover. Mr. Wise's proposition would yield only an additional £95,000, which the Government considers is below the taxable capacity of the bookmakers. The highest rate of tax for which the Bill provides is 3½ per cent. This is considered to be the absolute maximum which could be paid by the bookmakers in the higher categories of turnover. The maximum rate proposed by Mr. Wise is in excess of 3½ per cent., even allowing for the effect of his sliding scale.

The honourable member is also opposing the Bill to increase the stamp duty on betting tickets; and he spoke of the confusion that would result in betting shops through the separate rates of duty on bets of £1 and under; and bets exceeding £1. This factor was given a great deal of consideration, because the difficulties that would arise, both to the Treasury and the bookmaker in administering and applying to many individuals the rates of duty, were obvious. It was for this reason that the Government did not proceed with the proposition that had been advanced for the introduction of a variable rate of stamp duty which would differ according to the size of the bet.

Such a scheme would have to be broken down through the inability of the bookmaker to operate under any arrangement of this kind. It was considered, however, that two rates of duty which would call for two separate books would not result in any great difficulty being imposed on the bookmaker. I might add that the two separate books of betting tickets would be required anyhow for the purposes of the investment tax; and it is a simple matter to denote on these same tickets the stamp duty of 1½d. or 3d. according to whether the bet is for £1 or less, or whether it exceeds £1.

Here I might say, if my memory serves me aright, that Mr. Loton has an amendment on the notice paper to deal with this particular aspect. His amendment seeks to add the words "or bets." Is not that right, Mr. Loton?

The PRESIDENT: The Minister cannot ask a question like that; this is not question time.

The Hon. A. F. GRIFFITH: I merely mention that for reassurance, because it looks as if it would be difficult to operate. I think possibly the intention of the honourable member is well placed; he perhaps envisages a man making eight bets of £1 at the same time. I venture to suggest, however, that he may not have thought of the man who would make eight bets at separate times; and it would be difficult to state at what time the bookmaker should impose the tax. I daresay the honourable member has discovered that difficulty; and if he has, it is possible he will not proceed with his amendment.

When dealing with stamp duty on betting tickets, Mr. Wise was obviously under the impression that this duty was payable by the bettor. He said that the average person who has a bet would pay 1½d. stamp duty as long as his bet was below 10s.; and he was concerned about the small bettors. I would like to make it clear that this duty is paid by the bookmaker when purchasing tickets from the Treasury. It is not recoverable from the bettor. Incidentally, if the measure is passed, the rate of 1½d. will apply to bets of £1 or less; for bets in excess of £1 the duty will be 3d.

These increases over the present flat rate of 1d. are to be met by the bookmaker and paid to Consolidated Revenue. When Mr. Willesee spoke on this matter he foreshadowed some amendments which, if accepted, would defeat one of the principles in regard to imposing the tax. The formula contained in the Act is designed to make the funds available in such a way as to meet the greatest need. The propositions set out in the Bill have been decided upon by close examination, and in accordance with the reasonable needs of the clubs in each area.

It is well known that the W.A. Turf Club is in great financial difficulty; so much so that an interim subsidy initiated by the previous Government has been paid from Consolidated Revenue to the club. I have mentioned the amount before, namely, £33,000.

The Hon. L. A. Logan: I think it is £34,000.

The Hon. A. F. GRIFFITH: I would say £33,000 this year; last year it was some £45,000. This merely makes it possible for the clubs to undertake any improvements to provide some sort of a solution to the problems they have. If the proportion payable to the metropolitan clubs is to be reduced, this will impede the financial recovery of those clubs. The impact of decreasing interest and attendance has had less effect in the country areas than in the metropolitan area. Some evidence of this condition is provided by the fact that no country club has sought assistance similar to that given to the W.A. Turf Club.

Whilst it is not contended they have all the finance they desire, at the same time they have been able to continue operations without special assistance. Here I would like to say that I remember the remarks which, I think, were made by Mr. Bennetts, as they applied to Kalgoorlie; and in respect to Kalgoorlie there was no complaint. I join with him in suggesting that there should not be any complaint, because the improvement for Kalgoorlie is to be considerable; and the improvement for the country clubs will be quite considerable under the proposals which are put forward. The executives of many country clubs have expressed satisfaction at the sums it is anticipated they are to receive. I do not know whether or not that goes for Kalgoorlie; but the increases are not inconsiderable, and they will enable improvements to be made in country racing.

I have mentioned Kalgoorlie, but it is interesting to quote figures for the racing club there. In 1958-59 the Kalgoorlie-Boulder Club received £385, and the Albany club £177 from the off-course turnover tax. Under the new proposals of increased turnover tax and investment tax, based on the volume of business in a full year, these clubs will receive £3,495 and £1,609 respectively. That is a considerable improvement; and it continues right throughout the country in that proportion.

It will, therefore, be obvious that the claims of the country clubs have not been overlooked; and, in fact, all these clubs will receive very substantial benefits, which I do not consider, and the Government does not consider, should be increased beyond the proposals that exist. For that reason I hope the amendment which Mr. Willesee proposes to move will not be agreed to. I have endeavoured to put forward for the information of the House the way this Government sees the proposals that we have before us.

I repeat, if we find ourselves in the position of being unable to get this legislation through, then Consolidated Revenue just will not be able to continue to carry the burden of assistance to the clubs as it has done in the past. It is considered by the Government that the proposals that have been put forward are reasonable.

In conclusion, I would like to say that this legislation is to run for approximately 12 months. The Government, of course, will keep a close watch on the situation in the ensuing 12 months, and then a decision must be made as to whether the legislation is to be continued or not. We are awaiting the report of the Royal Commissioner.

The Hon. F. J. S. Wise: We are not awaiting the report, are we?

The Hon. A. F. GRIFFITH: We are of the opinion that we are. We are not awaiting the report before we impose this tax of course. Prior to the interruption, I was about to say that we are awaiting the report of the Royal Commissioner and that when it is received the Government will, no doubt, give consideration to the matter.

The Hon. F. J. S. Wise: Before I was so rudely interrupted, I was about to ask when you think this Bill might be proclaimed, if passed?

The Hon. A. F. GRIFFITH: I am not sure from when it will take effect. But the legislation will be proclaimed in all good time and at the appropriate time. In the meantime I hope that consideration will be given to the legislation; and I trust the Government will be given the opportunity to legislate for this tax in the manner in which it thinks it should.

Question put and passed.

Bill read a second time.

In Committee

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

Clauses 1 and 2 put and passed.

Clause 3—Section 14 amended:

The Hon. F. J. S. WISE: I move an amendment—

> Page 2, line 26—Delete subparagraphs (i) to (iv) inclusive of proposed new paragraph (f) of subsection (2) of section 14 and substitute the following:—
>
> (i) On so much of that turnover as does not exceed twenty-five thousand pounds, at the rate imposed by subparagraph (i) of paragraph (e) of section two of the taxing Act;

(ii) on so much of that turnover as exceeds twenty-five thousand pounds but does not exceed fifty thousand pounds, at the rate imposed by subparagraph (ii) of paragraph (e) of section two of the taxing Act;

(iii) on so much of that turnover as exceeds fifty thousand pounds but does not exceed seventy-five thousand pounds, at the rate imposed by subparagraph (iii) of paragraph (e) of section two of the taxing Act;

(iv) on so much of that turnover as exceeds seventy-five thousand pounds but does not exceed one hundred thousand pounds, at the rate imposed by subparagraph (iv) of paragraph (e) of section two of the taxing Act;

(v) on so much of that turnover as exceeds one hundred thousand pounds but does not exceed one hundred and twenty-five thousand pounds, at the rate imposed by subparagraph (v) of paragraph (e) of section two of the taxing Act;

(vi) on so much of that turnover as exceeds one hundred and twenty-five thousand pounds but does not exceed one hundred and fifty thousand pounds, at the rate imposed by subparagraph (vi) of paragraph (e) of section two of the taxing Act;

(vii) on so much of that turnover as exceeds one hundred and fifty thousand pounds but does not exceed one hundred and seventy-five thousand pounds, at the rate imposed by subparagraph (vii) of paragraph (e) of section two of the taxing Act;

(viii) on so much of that turnover as exceeds one hundred and seventy-five thousand pounds but does not exceed two hundred thousand pounds, at the rate imposed by subparagraph (viii) of paragraph (e) of section two of the taxing Act;

(ix) on so much of that turnover as exceeds two hundred thousand pounds but does not exceed two hundred and twenty-five thousand pounds, at the rate imposed by subparagraph (ix) of paragraph (e) of section two of the taxing Act;

(x) on so much of that turnover as exceeds two hundred and twenty-five thousand pounds, at the rate imposed by subparagraph (x) of paragraph (e) of section two of the taxing Act.

The scale proposed in my amendment is related to the Bill which imposes the bookmakers' betting tax. It provides for an entirely different graduation in the amounts which are to be levied. It provides some assistance for the vast number of smaller bookmakers; particularly those in the country centres and in suburban areas who cater for thousands of people who do not attend race meetings—and who will not attend race meetings in the future, no matter what we do; because the clubs made that impossible for the type of investor or bettor to which I refer—whose average bet, *per capita*—according to the official return—is 18s. 10d. These are the people who cannot pay the entertainments tax on the entrance fee, and who will continue to make their bets as they do now.

This amendment is designed to assist all bookmakers in the lower categories. It caters for people who are very important in keeping this business of off-course bookmaking on a proper and controlled scale, as against making it impossible for such people to carry on. The provisions in this amendment are on a scale which gives to those on the lower rungs in this business some relief from taxation. It gives to those in the very low group up to £25,000 the rate of tax which applies today to such people—2 per cent. It gradually increases, as members will note, by amounts of one-quarter per cent. until it reaches 4¼ per cent. at £225,000. I draw the attention of the Minister to the very inconsistent statement he made when he said that on the one hand I was making the top tax figure too high even for those who are giants in this business; and on the other I was relieving those on the lower rungs of the ladder, and was depriving the Government of £95,000 in taxation. These remarks are too inconsistent to comment further upon.

It is true that the Government with its lower top rate at 3½ per cent. and its higher lower rate is to take an additional £191,000 out of the present tax collections. All I have attempted to do with this amendment is to arrive at a tax which is just and equitable.

The Hon. H. K. Watson: What is the ultimate difference between your proposal and that of the Government?

The Hon. F. J. S. WISE: The figures are £191,000 and £95,000. The amendment will give to the Government £95,000 more revenue from turnover tax than it now obtains. That is the figure provided by the Minister.

The Hon. A. F. Griffith: What about saying something in regard to the £45,000 that has already been paid?

The Hon. F. J. S. WISE: That is more or less an *ex gratia* payment. At this stage, it is something which, in my view, the

clubs could do a great deal towards rectifying. If we gave to the clubs an opportunity to rectify the matter, we would find it disappear as a need in the case of one club—the trotting club—and more and more for the Oliver Twist club—the W.A. Turf Club. They would always be asking for more.

The Minister said in regard to the Government's proposals, that at least ten different approaches to this problem had been examined by the Government. I challenge the Minister to lay on the Table of this House a report which shows that the Government had two different forms suggested to it from people qualified to speak, because it was not done. It was a mere idle statement on his part.

The Hon. L. A. Logan: It was not an idle statement at all.

The Hon. F. J. S. WISE: Will the Minister deny what I said the other evening? He slithered off the subject when I asked if a report had been received from the tax officers in recommendation form or from Treasury officers expert in this matter. Will he deny that the Government did not receive a report or recommendation from the Betting Control Board? Will he deny that it did not receive or hear any comment from such an authority as the Trotting Association in regard to that body's needs? Of course he cannot deny it!

Therefore, I suggest that a lot of the opinions expressed by the Minister in the document he had prepared are fallacious. All I am endeavouring to do by this amendment is to have the burden lifted from those who are the small men in the industry—those who are very necessary as a medium for taxation, no matter what happens to that revenue. All payments come from Consolidated Revenue at some stage, because they are received into it in the first place.

I am endeavouring to ensure that the tax collections from the business of off-course bookmaking is a continuing medium. If we want Consolidated Revenue to benefit we should endeavour to keep in the business the people on the lower rungs, and tax them at a rate they can afford to pay. A higher burden can be placed on large operators than is placed under this Bill. There are only a few of them. They absorb the commitments of risk that the man on the lower rungs cannot afford to hold. I suppose there are only one or two large operators who take risk bets to an enormous degree. The greater part of their business would be the money laid off by those who cannot afford to hold it, and at their end of the scale they become a sort of necessity.

I think there is one operator who is so far out in front of all the others that it is not possible to make any average arrangement, because his case is so different; but in all these cases they are entitled to pay as much as can fairly be expected; and under this proposal those men are to pay up to 4¼ per cent. If the average is worked out it will be approximately one-third per cent. higher than that under the Government's proposal.

The Hon. A. F. Griffith: Will you tell me what, in accordance with your calculation, a man on £700,000 turnover would pay?

The Hon. F. J. S. WISE: Under this proposal I think it would be something over 3¾ per cent. overall. Perhaps it would be nearer 3.9 per cent.

The Hon. A. F. Griffith: Near enough to 4 per cent.

The Hon. F. J. S. WISE: As I said the other evening, a greater toll can be taken from that particular person, and he would not lose very much income from all sources. He would not have as much Commonwealth taxation to pay, but he would pay more to the State; and the amount paid to the State would be a deduction in his business costs as far as the Commonwealth was concerned. I suggest that the range in the amendment is fair and reasonable and will increase the revenue received by the Crown, as bookmakers in the Great Southern, Geraldton, and Kalgoorlie will remain in business because of this graduated scale.

This is a legitimate source of taxation for the Government, but we must have a scale which is consistent with the taxable capacity of those engaged in this business so that they will be levied a reasonable tax.

The Hon. A. F. GRIFFITH: During the course of my second reading speech I gave the House the Government's views on this matter. We could argue all night as to which course should be adopted—the one proposed by the Government or the one suggested by Mr. Wise. The fact remains that the Government has decided on its course of action and it does not desire to accept the amendment moved by the honourable member. How Mr. Wise could introduce a scale which would tax up to 4¼ per cent., I do not know. I asked him whether he would give some idea of the amount that would be paid by a man with a turnover of £700,000. I am not concerned with any individuals' names in this matter. A man with a £700,000-turnover, paying a 2 per cent. flat rate tax would pay £14,000. Evidence was given before the Royal Commission that a particular person with a turnover of £700,000 had his taxation figures accepted, and they showed that he made a profit of £8,500.

Mr. Wise says that the tax would be 3.9 per cent. on those figures. If we calculate at 4 per cent., the additional tax of £14,000 would be roughly £5,500 over and above the income that the Taxation

Department accepted in respect of that man. I have no consideration for names in this matter; they do not mean anything to me. I am simply pointing out how the honourable member's sliding scale would operate if it were agreed to.

The Hon. H. K. WATSON: Mr. Wise's amendment seems to me to be not without merit. The Minister has cited one illustration, but I listened for him to reply to the remarks made by Mr. Willesee who cited an actual case where, on the rates proposed in the Bill, a bookmaker with an income of something in the vicinity of £7,000 would run into a loss. I examined the figures that Mr. Willesee put forward, and they appeared to me to be fair and reasonable; and it seemed to me that Mr. Willesee's submission was valid.

In the absence of a reply by the Minister to the point made by Mr. Willesee, it seems a question of penalising the man lower down the scale as against the top-line operator. Of the two, I am inclined to think that the man lower down the scale is entitled to consideration.

The graduated scale in the amendment appeals to my common sense; and it has this attraction: Early this afternoon the Minister's colleague was fighting hard for £100,000. Now the Minister is opposing a proposal which, if agreed to, would bring into the Treasury approximately £100,000.

The Hon. W. F. WILLESEE: The figures I gave the other afternoon were taken from a factual case of a bookmaker. I quoted the figures that would apply under this proposed legislation, on the basis of his last year's balance sheet, and I came to the conclusion that not only would his profits disappear but that he would show an operating loss of some £700 odd.

The Hon. H. K. Watson: Has the Minister answered that illustration?

The Hon. W. F. WILLESEE: I waited for some answer, but the issue was either overlooked or evaded by the Minister, which leaves me in the position that I must support the amendment.

The Hon. A. L. LOTON: I see a good deal of merit in the amendment. The sliding scale would make the position a lot easier for the small man. It is not right to say that this would not work out for the man in the higher group. Such a man would not pay the maximum rate until he got beyond the amount of £225,000. Up till then he would pay on the basis of the sliding scale, starting at 2 per cent. He would not start paying the maximum amount until he got to £225,000. I cannot agree, at this stage, that the top bookmaker would, as the Minister said, pay an additional £14,000. There are over 90 bookmakers with a turnover of less than £50,000.

The Hon. A. F. GRIFFITH: I asked Mr. Wise the rate per cent. that a man with a £700,000-turnover would pay under his scheme. It was agreed by the honourable member that such a man would pay approximately 3.9 per cent.

The Hon. F. J. S. Wise: I think, about 3.88 per cent.

The Hon. A. F. GRIFFITH: I used the rate of 4 per cent. for ease of calculation, because it would not make much difference in a problem of this nature. This particular fellow gave evidence—I am not very interested in his name; nor am I championing his cause—and he professed to have an income, which was accepted by the Taxation Department, of £8,500; and he paid £14,000, which is 2 per cent. on £700,000. If, in accordance with Mr. Wise's figures, he pays at the rate of 3.9 per cent.—4 per cent., near enough—the amount would surely be doubled.

The Hon. F. J. S. Wise: Are you worried at all about the small man?

The Hon. A. F. GRIFFITH: Yes; but at the moment I am dealing with this point in order to answer Mr. Loton. This man would pay an income tax rate—

The Hon. F. J. S. Wise: Not an income tax.

The Hon. A. F. GRIFFITH: No; a turnover tax. He would pay £14,000 in respect of an income of £8,500.

The Hon. F. J. S. Wise: He would pay no income tax at all.

The Hon. A. F. GRIFFITH: That man would be in the topmost bracket. I cannot deny the figures that Mr. Willesee gave. He produced a copy of the statement to me, and I accepted it in the way he submitted it; but there were items on it which were definitely not qualified. I hasten to say that I do not charge the Premises Bookmakers' Association with misrepresentation. I simply point out that on the basis of the group of 124 bookmakers that were given to the Treasury, some of the figures would be fictitious; some of them showed no profit or operated at a loss. Mr. Wise knows full well what I mean.

The Hon. F. J. S. Wise: I understand the meaning of words, and you used the word "fictitious."

The Hon. A. F. GRIFFITH: Yes. I suggest that they could be treated as fictitious, because included in them were the figures of people in a low group, or people who suffered losses. They were amongst others who made a profit. It is very difficult to prove exactly what the income is in respect to some of these people.

The Hon. H. K. WATSON: I am entirely un-satisfied. I agree with the Minister that if we look at an average profit or turnover of 50 or 100 bookmakers, it may not mean much. But when a member rises in the House and produces facts and represents a balance sheet, he is entitled to a reply. Mr. Willesee showed that the proposal in the Bill would so

affect an income of £7,000—which is not a bad income; I would not call it fictitious—

The Hon. A. F. Griffith: Did I say it was fictitious?

The Hon. H. K. WATSON: —that it would be converted into a loss. That appeals to my commonsense as a matter that wants some rectification, just as it appeals to the Minister's commonsense that the top man must not be permitted to show a loss. In any taxing measure which is on a graduated scale, we achieve more equity by having the graduations rise in 20 small steps rather than in five large steps. For that reason the amendment should be agreed to.

The Hon. L. A. LOGAN: According to Mr. Willesee and Mr. Wise any increase on the lower income group would put those men out of business; and, on the figures presented, the men in the top bracket would also go out of business; and that is an absurd argument. According to the arguments put forward the tax cannot be increased at all.

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

Ayes—15.

Hon. G. Bennetts	Hon. H. C. Strickland
Hon. E. M. Davies	Hon. J. D. Teahan
Hon. J. J. Garrigan	Hon. J. M. Thomson
Hon. E. M. Heenan	Hon. H. K. Watson
Hon. R. F. Hutchison	Hon. W. F. Willesee
Hon. G. E. Jeffery	Hon. F. J. S. Wise
Hon. F. R. H. Lavery	Hon. R. Thompson
Hon. A. L. Loton	*(Teller.)*

Noes—12.

Hon. C. R. Abbey	Hon. G. C. MacKinnon
Hon. J. Cunningham	Hon. R. C. Mattiske
Hon. L. C. Diver	Hon. J. Murray
Hon. A. F. Griffith	Hon. H. L. Roche
Hon. J. G. Hislop	Hon. C. H. Simpson
Hon. L. A. Logan	Hon. F. D. Willmott
	(Teller.)

Majority for—3.

Amendment thus passed.

The Hon. F. J. S. WISE: I move an amendment—

Page 3—Delete paragraph (c) in line 15.

Paragraph (c) refers to the tax payable for part of a year, and since the Committee has agreed to the previous amendment, it means that during the whole of the period, progressively, the rates mentioned will apply between this Act and the taxing measure, so there is no need for this paragraph.

Amendment put and passed; the clause, as amended, agreed to.

Clause 4—Sections 16A, 16B and 16C added:

The Hon. F. J. S. WISE: I move an amendment—

Page 5—Delete paragraphs (c) and (d) in lines 1 to 4.

During the debate on the second reading I pointed out that whatever merit paragraph (c) might have, paragraph (d) had none, because it does not apply to anything. It purports to apply to races of driven horses held elsewhere than in the State, and the ability to tax bets made on such races. On examination we find that paragraph (d) refers to income off course for the Trotting Association from trotting horses. Paragraph (c) refers to the income on Eastern States racing—gallops. The proportion to be given to the Turf Club is 45 per cent. under proposed new section 16C; and that is the most ill-balanced suggestion that could be devised, because it would mean that the Trotting Association would receive £47,000 from local trots and the taxation therefrom, off-course, and the Eastern States trots and the taxation therefrom, off-course, in this State; and the racing clubs would receive £133,000 by the relation between the assessment tax and the turnover. Neither the Trotting Association nor the racing club lifts a finger to bring any revenue into this State from Eastern States races or trots, and so the money earned from Eastern States races should go to Consolidated Revenue. I repeat that the clubs should be encouraged to make their own position better on the course. The Trotting Association should continue to improve its attractions and foster country Derbys and the like, and distribute thousand of pounds—as it does—to its regional districts. I am sure the Trotting Association would say, "We do not want revenue from Eastern States collections if you will give us a greater portion of our domestic earnings as an incentive for us to do even better."

Quite apart from that, these two provisions pretend to give to one and, in fact, give to the other. They give to the Turf Club from races of ridden horses held elsewhere than in the State—in other words, the collections from Eastern States betting on race horses—tens of thousands of pounds. The difference between this and the Government's proposal is that I think that the money should go into Consolidated Revenue. The Government could then distribute that money as it liked, but I submit that neither the Trotting Association nor the racing club is entitled to income from Eastern States races; and, in fact, the Trotting Association gets no income from Eastern States trots, because the reports of the Betting Control Board show that, with the exception of interdominion meetings, there are no collections.

There is no betting on Eastern States trots on Saturday night in Perth unless a Perth horse happens to be trotting in Adelaide, or unless an interdominion championship is being held there. For those reasons paragraphs (c) and (d) should be deleted.

The Hon. H. K. Watson: Does Eastern States racing constitute one-half of the shop turnover in Western Australia?

The Hon. F. J. S. WISE: On the races, yes, but the trotting is nil. The Trotting Association will get nothing out of paragraph (d) because there will be no collections under it.

The Hon. L. A. LOGAN: It is well to advise the Committee that we are dealing with an entirely new tax—an investment tax. To work out a formula it is necessary to have something on which to base that formula. The investment tax will be imposed at a rate of threepence on each bet up to a £1, and sixpence on every bet over £1. The tax will be applied to those people who bet in off-course betting shops. Therefore, we seek to impose the tax on the punters themselves in proportion to the bets they make on the local races and the Eastern States races. Surely the money that is to come from the bettors should be paid to the clubs proportionately, because it is on their events that the bettors are placing the bets.

The Hon. A. L. Loton: But this tax will be on bets placed on Eastern States races.

The Hon. L. A. LOGAN: We are basing our formula on a proportion of Eastern States races.

The Hon. F. J. S. Wise: There are no bets made on Eastern States trotting events by Perth bettors.

The Hon. L. A. LOGAN: There is a small amount of betting on trotting in the Eastern States.

The Hon. F. J. S. Wise: That is right.

The Hon. L. A. LOGAN: A man who has one pound on a race in the Eastern States will pay sixpence in tax. This tax will apply only to a proportion of the betting on the Eastern States races. Those races are used only as a basis for the formula for the imposition of the investment tax.

The Hon. H. C. Strickland: You could give them £1,000,000 if you wished.

The Hon. L. A. LOGAN: We could give them plenty, but we must have a little responsibility in regard to this question. We could say that we would give them money in the proportion of 60 to 40, but we would have no basis upon which to bolster up that proposition. This Bill will be used purely as a formula for the imposition of investment tax, and a basis upon which the clubs will receive disbursements.

The Hon. F. J. S. WISE: The Minister's argument is far from clear. All of us know that the principle in this clause concerns the total turnover and the investment tax which the third Bill seeks to impose. In this case the turnover will be divided into four categories; namely, local races, local trots, Eastern States races and Eastern States trots. Of those four categories, the W.A. Turf Club is to obtain its percentage from turnover tax on investments placed on Eastern States races and local races.

I would like the Minister to follow this carefully. The W.A. Trotting Association is to get its proportion of investment tax according to its relationship with local trotting and Eastern States trotting. If the Minister will read proposed new section 16C he will see how the distribution is to be made between the two clubs. It specifies that the W.A. Turf Club shall enjoy its share of investment tax based on Eastern States races and local races. That will give to the W.A. Turf Club an advantage of £90,000 over the W.A. Trotting Association. Is that fair and equitable? On the Minister's own figures, delivered during his second reading speech, the W.A. Turf Club is to get £133,000 and the W.A. Trotting Association, £47,000, implying, without any recommendation from either club, that those figures represent their needs.

What I am trying to say is, in effect: Are we giving to the W.A. Turf Club all that the Treasury can afford? If necessary, we should give it 10 per cent. of the totalisator tax instead of 3 per cent. This money, which I am trying to earmark for the Treasury, may be distributed to the clubs as the Government wishes; but there should be no obligation upon it to distribute—in the case of the W.A. Turf Club —the ratio between the investment tax and the turnover tax and give to the W.A. Trotting Association only that proportion of the tax which is obtained from bets made on trotting in this State.

The Hon. L. A. LOGAN: It is obvious that Mr. Wise is biased towards trotting and prejudiced against the racing clubs. The percentage of bets made on local trotting events is 21.64, and on Eastern States trots it is .47. The percentage of bets made on local races is 33.42, and on Eastern States races it is 44.47. It is obvious that those punters who are investing their money on Eastern States trotting events are very small in number compared to those who invest their money on the local trotting events. The investment tax is to be imposed on the money that those people invest; that is the formula on which we are basing the tax.

The Hon. L. C. DIVER: I take it that the Committee is dealing with a set of circumstances surrounding the distribution of a certain tax, and all stemming from the legislation governing bookmakers. Although it is true that there is not a great deal of betting on trotting events in the Eastern States with off-course bookmakers, the system that we have evolved in regard to off-course bookmakers is responsible for taking many people away from the racecourse. As a result the W.A. Trotting Association is robbed every meeting of admission money. As a consequence there has to be a more equitable approach to the proportion of the funds it will obtain from the Government. We can assist by means of this measure and by ensuring that the Western Australian Trotting Association obtains a greater proportion of the disbursements.

The Minister has said that it is only fair that the W.A. Turf Club should enjoy the greater proportion of the tax that will be received. What does the Turf Club do? The punters are the people who make the investment, and they contribute to the formation of a huge pool from which the Treasury will obtain substantial funds. It would be just as well for the Government to say, "The Treasury should be a little more lenient towards the W.A. Trotting Association," but, in my opinion, this is the only way by which we can be fair to the W.A. Trotting Association. Therefore, I propose to support the amendment.

The Hon. A. F. GRIFFITH: The explanation given by Mr. Logan was quite correct. The Government tried to find a basis for the allocation of the funds. The allocation is to be made on the basis of the preference that is shown by the bettor. In all the arguments put forward by Mr. Wise, he has continued to harp on two things. One is that the W.A. Trotting Association will get £47,000 and the W.A. Turf Club will get £133,000. I seek to remind the honourable member that the comparison is not as great as it appears, because last year the previous Government gave the W.A. Turf Club £45,000 plus £8,000, making a total of £53,000; and up to September this year, because of the arrangement entered into by the previous Government, we have handed over £33,000 or £34,000 to the W.A. Turf Club.

The Hon. H. C. Strickland: £26,000.

The Hon. A. F. GRIFFITH: No, I think it is more than that.

The Hon. L. A. Logan: It is £34,000, and £3,000 due this month.

The Hon. A. F. GRIFFITH: That is correct. It is very easy to say; "Let us draw the long bow and say that the Turf Club is going to receive £133,000." Members must not forget that it has already received £45,000, plus £8,000 which makes a total of £53,000. That money was paid to keep the W.A. Turf Club going.

The Hon. H. K. WATSON: My approach to this clause is much more fundamental than the approach made by the various speakers. I understand the Bill is seeking to levy a tax from which it is proposed to pay to two organisations £180,000 in round figures. It seems to me, that, basically an adjustment between the bookmaking fraternity and the Turf Club should be a matter for negotiation between themselves. It should not be for Parliament to say, "We are going to support these two organisations. We are going to levy a tax for that purpose." Those clubs may be in difficulty. No doubt they are. The other day, however, we read of a boot firm in North Fremantle that was in difficulties; but there was no suggestion of imposing a tax on boots and shoes to put that firm on its feet.

Various industries are interdependent on each other, and they make adjustments between themselves. I consider that any legislation of this kind should be producing revenue for payment into the Consolidated Revenue Fund; and that should be the finish. If I had time, I could think of endless possibilities for the application of this principle. The amount is £173,000 this year. The Minister has said that even without the collection of this tax, the previous Government paid the Western Australian Turf Club £45,000 from Consolidated Revenue. Again I refer to the North Fremantle boot company which obtained only £25,000, if I remember rightly.

There are many other industries which are badly in need of finance. I believe it should not be for Parliament to sort out this problem, but that it should be resolved between the bookmakers and the Western Australian Turf Club.

The Hon. L. A. LOGAN: It might be as well for me to point out what the Trotting Association, as compared with the Turf Club, received last year and what it is anticipated it will receive this year. Last year the Trotting Association received £7,476, and under this formula it will receive £69,489. That is an increase of more than nine times what it previously received. Last year the Turf Club received £56,527, and under this formula it will receive £158,930, which is an increase of less than three times the previous amount. We are treating the Trotting Association far better than it has been treated in the past.

Amendment put and a division called for.

The CHAIRMAN: Before the tellers tell, I give my vote with the ayes.

Division taken with the following result:—

Ayes—14.

Hon. G. Bennetts	Hon. G. E. Jeffery
Hon. E. M. Davies	Hon. A. L. Loton
Hon. L. C. Diver	Hon. H. C. Strickland
Hon. J. J. Garrigan	Hon. R. Thompson
Hon. W. R. Hall	Hon. W. F. Willesee
Hon. E. M. Heenan	Hon. F. J. S. Wise
Hon. R. F. Hutchison	Hon. J. D. Teahan
	(Teller.)

Noes—13.

Hon. C. R. Abbey	Hon. J. Murray
Hon. J. Cunningham	Hon. H. L. Roche
Hon. A. F. Griffith	Hon. C. H. Simpson
Hon. J. G. Hislop	Hon. J. M. Thomson
Hon. L. A. Logan	Hon. H. K. Watson
Hon. G. C. MacKinnon	Hon. F. D. Willmott
Hon. R. C. Mattiske	*(Teller.)*

Pair.

Aye.	No.
Hon. F. R. H. Lavery	Hon. A. R. Jones

Majority for—1.

Amendment thus passed.

The Hon. F. J. S. WISE: I move an amendment—

> Page 5—Delete all words after the word "section" in line 25 down to and including the word "section" in line 29.

Those words refer to the distribution, to the Turf Club and the Trotting Association of the contributions made under paragraphs (c) and (d) which have been deleted from the Bill.

Amendment put and passed.

The Hon. F. J. S. WISE: I move an amendment—

Page 5, line 38—Delete the word "and."

This is a consequential amendment on the removal of paragraph (b) on page 6.

Amendment put and passed.

The Hon. F. J. S. WISE: I move an amendment—

Page 6—Delete paragraph (b) in lines 1 to 5.

Amendment put and passed.

The Hon. F. J. S. WISE: I move an amendment—

Page 6, lines 6 and 7—Delete the words "such sum of the moneys mentioned in paragraphs (a) and (b) of this subsection."

This amendment will take out the unnecessary verbiage in relation to the former part of the clause.

Amendment put and passed.

The Hon. W. F. WILLESEE: I move an amendment—

Page 6, line 9—Delete the words "eighty-five" and substitute the word "seventy."

The purpose of this amendment is to vary the proportions referred to in the Bill, to enable a larger amount to be allocated to the country clubs. Country racing needs encouragement and assistance. If stakes can be increased in the country, a better type of horse will be attracted there; and, in the course of time, the number of owners will also increase. Ultimately, when the horses reach a higher standard, they will be attracted to the metropolitan area to race.

It is a fact that horses in the country race under hack conditions. When they reach the stage where they are weighted out of country races, they can come to the city to race. We have rarely seen horses racing in the city being sent to the country to race, because they cannot regain the status of hacks once they have raced in the city.

The Hon. A. F. GRIFFITH: I hope the Committee will not agree to this amendment. The proposal in the Bill is fair and reasonable. As I said during the second reading, a great improvement will take place under the proposals in the Bill. I have here the estimates of the increased allocations to country clubs, and they are very marked.

The Kalgoorlie Race Club which received £385 last year will receive £3,495; the Bunbury Race Club which received £392 last year will receive £3,562 in a full year of operation of the Act; the Katanning Race Club which received £13 last year will receive £117.

The Hon. R. Thompson: What is the amount for Toodyay?

The Hon. A. F. GRIFFITH: It is from £29 to £263; and so on throughout the State.

The CHAIRMAN: I suggest that if there are any more questions in regard to different towns, the Minister should read the whole list out, and be done with it.

The Hon. A. F. GRIFFITH: I suggest that members put the questions on the notice paper. The provisions in the Bill show a very marked improvement, and I ask the Committee to accept them, as they are proposed.

The Hon. W. F. WILLESEE: My view of Kalgoorlie racing is that over the years it has been steadily declining, and my proposal is to give it more money. The Minister, by way of comparison, quoted a striking figure, but kept well away from the amount of money that will go to the parent club in the city.

The Hon. A. F. Griffith: That is a very unfair charge.

The Hon. W. F. WILLESEE: Unfair?

The Hon. A. F. Griffith: Yes, because I answered every question around the Chamber, and you know I did, until the Chairman stopped me.

The CHAIRMAN: Order!

The Hon. W. F. WILLESEE: The Minister quoted these figures but did not quote the very much greater amount that will go to the city club.

The Hon. L. A. Logan: That amount has been bandied around the Chamber all night.

The Hon. W. F. WILLESEE: That amount is £133,000.

The Hon. A. F. Griffith: That is right; no one has ever tried to deny it.

The Hon. W. F. WILLESEE: It is quite possible that if sufficient money were granted to Kalgoorlie the club would be able to hold race meetings all the year round as it used to do years ago. It is also possible that, with sufficient money, the racing in the North-West could be improved. I believe that Roebourne used to have races with stake money equivalent to that provided by the Perth club. However, I do not intend to delay the Committee unduly. The effect of my amendment will be merely to double the increment payable to country racing clubs and proportionately reduce that to the Turf Club.

The Hon. A. F. GRIFFITH: I only want to say that the honourable member knows only too well that I answered all questions in regard to amounts which clubs would receive and only ceased when the Chairman stopped the questions without notice. It is not right to say that

I skirted round the amount which the city club would receive. I will say it again: It is £133,000. The £45,000 which the Turf Club received last year is still being forgotten. Surely this is a reasonable proposition; and it will be realised that the amendments which have been carried will mean that the metropolitan clubs will not get what was intended; and the honourable member wishes to take away more. The increases provided for in the Bill are surely reasonable.

The Hon. H. C. Strickland: The Treasurer can give them what he pleases.

The Hon. A. F. GRIFFITH: Mr. Strickland has a fetish on what the Treasurer can do. He seems to think that we have a pot of Consolidated Revenue which is completely bottomless.

The Hon. H. C. Strickland: You are getting £500,000 out of this.

The Hon. A. F. GRIFFITH: Surely this is a fair contribution to country clubs. After all, how long has this legislation been in force? What did the previous Government do about the country clubs?

The Hon. W. F. WILLESEE: I am sorry the Minister has seen fit to take umbrage at my remarks, in such a personal manner. If there is an alteration in the figures in relation to the Turf Club, surely there will be a scaling down in relation to country clubs. This Bill is not law yet, and surely I am entitled to place on the notice paper an amendment which I think will benefit country clubs. It is for the Committee to decide one way or the other. I have not done any more than put my views forward. I think the matter could well be left on that basis.

Amendment put and a division called for.

The CHAIRMAN: Before tellers are appointed, I give my vote with the ayes.

Division taken with the following result:—

Ayes—14.

Hon. G. Bennetts	Hon. G. E. Jeffery
Hon. J. Cunningham	Hon. A. L. Loton
Hon. E. M. Davies	Hon. J. D. Teahan
Hon. J. J. Garrigan	Hon. R. Thompson
Hon. W. R. Hall	Hon. W. F. Willesee
Hon. E. M. Heenan	Hon. F. J. S. Wise
Hon. R. F. Hutchison	Hon. H. C. Strickland *(Teller.)*

Noes—13.

Hon. C. R. Abbey	Hon. J. Murray
Hon. L. C. Diver	Hon. H. L. Roche
Hon. A. F. Griffith	Hon. C. H. Simpson
Hon. J. G. Hislop	Hon. J. M. Thomson
Hon. L. A. Logan	Hon. H. K. Watson
Hon. G. C. MacKinnon	Hon. F. D. Willmott
Hon. R. C. Mattiske	*(Teller.)*

Majority for—1.

Amendment thus passed.

The Hon. W. F. WILLESEE: I move an amendment—

Page 6, line 23—Delete the word "fifteen" and insert in lieu the word "thirty."

This is now a consequential amendment.

Amendment put and passed.

The Hon. F. J. S. WISE: At the foot of page 6 a further consequential amendment is required. I therefore move an amendment—

Page 6, line 44—Delete the word "and."

Amendment put and passed.

On motions by the Hon. F. J. S. Wise, clause further amended as follows:—

Page 7:

Lines—Delete paragraph (b) in 1 to 5.

Lines 6 and 7—Delete the words "such sum of the moneys mentioned in paragraphs (a) and (b) of this subsection".

Clause, as amended, put and passed.

Title—put and passed.

Bill reported with amendments.

Sitting suspended from 10.28 to 10.56 p.m.

WESTERN AUSTRALIAN INDUSTRIES AUTHORITY BILL

Second Reading—Defeated

Debate resumed from the 3rd November.

THE HON. C. H. SIMPSON (Midland) [10.56]: When introducing this Bill, the Minister told us that industrial development was a very pressing need for this State. He went on to say that it affected migration, employment and the economic stability of the State. The Minister claimed further that the Department of Industrial Development had not achieved success in that direction. He then claimed that a new authority, as set out in this Bill, was needed; and he said the methods employed by the Premier of South Australia (Sir Thomas Playford) and by Mr. Bolte, the Premier of Victoria—both of whom had enlisted the aid of businessmen and had made drives and visited countries overseas—had achieved considerable success in attracting industries to commence in their respective States.

In considering this Bill, I think we are called upon to take stock of our position so far as we can to see to what extent the claims made are justified; whether the proposed authority will give us that assistance in an industrial drive that is considered necessary; and whether the attractions we have to offer measure up to the undoubted attractions which the Premier of South Australia in the one case, and the Premier of Victoria in the other, have to offer, and in regard to which they have achieved some measure of success.

I think we can all admit that we are in entire sympathy with the aims the Bill seeks to achieve. We feel it would definitely be to the advantage of the State

if we could build up a balanced industrial complexion to our community. This would stabilise the State's economy and help the prospects of employment and the securing of jobs for youths who are entering the employment field. These are desirable objectives. I want to make it clear that while I have some criticism to offer as far as this Bill is concerned, I could not, in regard to the end result, be more in favour than I am.

Questions we should ask ourselves for a start are these: Will the introduction or creation of this new instrument be the means of achieving success where other efforts have failed? Is the present machinery of the Department of Industrial Development as inefficient as has been claimed? Are the efforts of the selected men who will be clothed with special powers likely to win success where overseas missions sent out by the previous Government were relatively unsuccessful? Before we attempt to answer these questions, there are basic factors we should consider. In assessing these things we will have to keep our feet on the ground; and we must try and view the situation, as I see it, through the eyes of a prospective investor.

First of all, let us recognise the fact that we would be in active competition with our sister States which have already established their industries. We must also ask ourselves whether we can compete with those established industries. Can we match what they have to offer? Generally speaking, we will have to compare what we have to offer with what they have to offer. I think we can say that the investor who is likely to come here is going to take a shrewd look at the conditions obtaining here and in the Eastern States, and will sum up the position along these lines: He will look, I think, for the various production factors favourable so far as he is concerned.

Certainly we can offer him land and power, but is that power in sufficient quantity for a big industrial enterprise? How does the cost of that power compare with the cost of power in the Eastern States? Water is another factor; and fresh water in this State is definitely a limiting factor in many directions, particularly in regard to the setting up of industrial enterprises.

In any field of Australasian trade we must admit that we are handicapped in regard to Eastern States competition. The important matter of markets must be considered. If we are catering for Australian trade, we have to recognise that in Western Australia we have about 7 per cent. of Australia's population; whereas the Eastern States, with whom we will have to compete, and where industries are already established, embraces over 90 per cent. of the population of Australia. We have to sum up these aspects before we can consider the steps to be taken or the offers to be made to attract people to come here. We must recognise we are up against this competition.

As I mentioned before, the power costs here are high. From information I have, I should say they are considerably higher than in Victoria, South Australia, or New South Wales, which are the main industrial States. Queensland also has many advantages we do not possess. At Yallourn in Victoria, coal is converted to electricity at the pit head. About 10 years ago there was a station there three times the size of the South Fremantle station and it was supplying current to Melbourne for ¾d. a unit. On top of that, the commission had to meet distributing costs, accounting costs and costs under many other heads that came into the business of producing and selling electricity. In addition, in Victoria, there is the Eildon hydro-electric power scheme which was nearly completed; and Victoria will share on a large scale the benefits of the Snowy River scheme.

That is something that State has which we have not. Sometimes in regard to local markets, we are also at a disadvantage. I could state cases where goods are mass-produced in the Eastern States and are actually sold here at a lower figure than they are retailed or sold wholesale in the Eastern States. That is not hard to visualise. I know of a manufacturer who is producing an article and he has a capacity, shall we say, for producing 50 units. His market is expanding and he sees markets for an increased output of, shall we say, 70 units. Instead of building premises to cater for that increased market, he built a bigger factory capable of producing 100 units. With a double shift, he can produce the 100 units for practically the same price as it costs him to produce 70 units. His overhead is considerably cut down.

He tried to establish a market here and, in fact, did. He kept his employees on full production, and he was able to sell his surplus goods both here and in the other States and beat his competitors in price; and so he was able effectively to prevent or dimish the competition he was likely to receive in those markets. Those are factors we have to take into consideration.

One matter in which our firms are at a disadvantage as compared with the bigger Eastern States' companies is in regard to advertising. Our companies simply would not be able to compete with them when it came to engaging space at anything up to £1,000 per page, which is the ruling rate in some of the big Eastern States newspapers. In addition, agents may have to be engaged to work up a business. For all this a tremendous amount of capital would be required in order to build up a market in the Eastern States, even if the article did not require a big freight rate to be sent to that market.

Actually, some lines locally produced are now sent to the Eastern States. I believe Jason Industries are finding in the Eastern States a market which is much bigger than the local market. I do not say that it is not possible to overcome some of the handicaps which I have mentioned. However, this applies only to some lines. In others we would be gravely handicapped by the conditions that obtain here.

We have tried hard over the years to convert our Collie coal into coke. Unfortunately, our efforts so far have been unsuccessful. If we could do that, we could establish an integrated iron and steel industry here. We would also build a very favourable foundation on which to establish big industry here—something like B.H.P. at Newcastle and Port Kembla. Unfortunately, we have not been able to produce coke from our local coal. This has definitely been a great handicap in connection with establishing an iron and steel industry in this State at, say, Collie or Bunbury.

I mention these factors for two reasons: If we are considering spending a lot of money in attracting would-be investors here, we want to weigh up what the results are likely to be; and we want to try and understand why the efforts that have been made over the years by the Department of Industrial Development and by the overseas missions have been relatively unsuccessful. Is it because we have not the goods to offer? Is it because other places can make more attractive offers than we can?

While it is possible that we might be able to induce capital to come to this State in regard to some special lines of endeavour, we could spend a lot of money trying to force development along those lines where we are handicapped in regard to natural advantages. It is an old maxim that one always get something if one is prepared to pay the price. We have already spent a considerable amount of money attracting industries to Kwinana. We had to dredge the channels through the Success and Pamelia Banks, and provide the means whereby ships could turn around. In addition, we spent a lot of money on housing at Medina; and this has not been an unqualified success by any means.

We have made considerable concessions in regard to port charges. I understand the normal charge made by the Fremantle Harbour Trust is 13s. 6d. per ton. However, the charge to British Petroleum is only 1s. 2d. per ton. I am not condemning these things. It is, perhaps, necessary to spend a considerable amount of money to open up Cockburn Sound. It was, perhaps, good business originally, and was the means of British Petroleum coming here; but if the making of concessions is going to continue indefinitely, we should know exactly what we are doing before we start on a programme of that kind.

We have the same concessions operating with the Broken Hill Pty., and subsidiaries. How the Cockburn Cement Co. is affected I do not know. I am wondering whether it is contemplated extending these concessions to any industries—industries which come along and which are looking for special inducement—to get them to establish their businesses in that particular area. The point I would like to touch upon just here is that the Bill does embrace trading concerns, as well as the effort to attract new industries here.

The Bill does provide for some overriding rights in the matter of the Fremantle Harbour Trust. That is included in the powers given to the industrial authority to be set up under the provisions of clauses 17 to 20.

We were told earlier that, in the *W.A. Law Reports*, and in extracts from State bulletins, there are references to the action brought against the Cockburn Cement Company in regard to unfair trading; and we were told that the price of cement in Western Australia was £4 per ton higher than that charged in Queensland, South Australia, and Tasmania. Obviously the judge was of the opinion that there had been no unfair trading by the Cockburn Cement Company, but I am concerned with the fact that cement cost £4 per ton more at Kwinana than was charged for cement in South Australia, Queensland and New South Wales. That confirms my opinion that there are natural factors here which make it difficult for any local company to reduce its production charges sufficiently to compete successfully with with the Eastern States.

An optimist might suggest that we should try to obtain a footing in the Asian market, but I believe that we might be up against even greater disadvantages there. In Japan there is a great deal of industrial development with low wage costs; and India is also building up its industrial strength, favoured by low wages. Russia is coming into the field as an unknown quantity, but according to various reports Russia may, in ten years' time, be able to compete with America as regards potential development.

America also, a country of immense capital and with probably the most highly developed production techniques in the world, must be taken into account. America has sufficient capital to enable her to advance loans to prospective customers. I am pointing out that we are facing a problem which it may be possible to solve; but in attempting to solve it we must be cautious and make sure of what we are doing. I have tried to emphasise that although we would all welcome this building up of industrial potential, we must not attain it by paying a price that is beyond our means.

I submit that the Bill is unnecessary, because all the power that we propose to place in the hands of this authority

is already possessed by the Minister; and he is the person who should exercise it. The persons to be appointed to the authority will not be answerable, politically, to Parliament. They can advise and recommend to the Minister, and they will also have powers of bargaining and negotiation which I think could lead us into trouble. They are not to be bound by the Public Service Act; and they are to be given power to enable them to go to any department, without the authority of the Minister or the head of the department, and make use of that department. I can think of nothing more conducive to trouble in the Civil Service than that.

Those of us who have held ministerial office know that by and large the personnel of all departments are loyal and efficient, and are anxious to do their job to the best of their ability. They have a healthy respect for any Minister who is capable of administering his department and showing that he is boss as regards both the departmental head, the senior officers, and the rank and file. I can remember, when I had a very heavy portfolio load, that one of the first questions I was asked by the Commissioner of Railways was who would handle my affairs in the Legislative Assembly. When I told him that Mr. Watts, the Deputy Premier, would handle them, he was satisfied. That shows the anxiety that exists in the minds of departmental officers in such matters. The loyalty of the Civil Service in something that has grown up over the years and has crystalised into a tradition; and the men concerned would have a very poor regard for a Minister or departmental head who was placed in the invidious position of having somebody from outside, no matter how competent, coming into the department over his head—

The Hon. A. F. Griffith: Surely you do not think that is provided for in the Bill!

The Hon. C. H. SIMPSON: From my own experience, I say it would not work. The loyalty of the departmental officers and their respect for their permanent head and Minister is something that we should treat with great respect. I believe the Bill would do nothing but create discontent and dissension at various levels of the service. The Minister already has power to co-opt assistance if he thinks fit. A Minister can suggest that honorary ministers be appointed to assist him; and if that is done those honorary ministers will be responsible men who conform to our general system of administration and government. I believe that many of the powers proposed to be given to the members of this authority should be exercised only by the Minister.

I want now to refer to certain concessions that might be offered, and the advice that might be given to the Minister and to Cabinet in regard to the sale of certain trading concerns, which the farmers believe should not be sold. I do not think there is an immediate prospect of those concerns being disposed of but, under this Bill, that position could arise in the future; these men, co-opted to the authority, might advise the Government to sell some trading concerns. When the men first appointed became too old or retired, would their successors be given the same authority? Would they submit to pressure and bring forward proposals such as I have suggested? We must remember that primary production accounts for about 90 per cent. of our export income, and Governments of the past have always borne that in mind.

Past Governments have given special port concessions in regard to the export of grain and farm produce generally; because there is no wharfage charge on grain and similar products. That policy of concessions must not be carried too far; and if it were extended to industries that wanted to come here it could cause trouble, because the Fremantle Harbour Trust must still carry on and pay its own way. The more such concessions we give, the higher the charge must be on all goods that pay a charge. I believe that the wharfage charges on the merchandise and goods generally at Fremantle are the highest in Australia.

The Bill makes reference, I think, to the Fremantle Harbour Trust and to the abattoirs at Midland and at Robb Jetty. If this measure were agreed to it would be possible at some future date for recommendations to be made to the Government to sell those concerns, which we think are very important to the primary production of the State.

The Hon. A. F. Griffith: Robb Jetty could be sold tomorrow, without this Bill.

The Hon. C. H. SIMPSON: Don't be too sure about that. The Midland abattoir is sited on its own ground, but there is nothing to prevent the ground being sold back to the Government, which could then dispose of the abattoir without the sanction of Parliament.

The Hon. A. F. Griffith: Is that not a contradiction of what you have said?

The Hon. C. H. SIMPSON: That is the advice I have. This authority is answerable only to the Minister. It is clothed with exceptional powers. In my opinion, it is something more or less extraneous to the system of Government that we know. Whilst men could be co-opted by the Minister to advise and conduct negotiations if necessary, I do not think it is wise to clothe them with statutory powers.

I find it difficult to believe that this delegation of powers is a matter which the Minister worked out for himself. Naturally, he felt that he should obtain competent men to carry out the job for him. It is my impression that these powers would be exercised by the authority itself.

For that reason I believe it would have no hesitation in using them in regard to any particular project. In fact I believe that this authority asked for these powers because it wanted to use them; and that is what I am concerned about. The best way to make this authority permanent is to pass a Bill to constitute it, because once a Bill is passed, the authority can be like many other bodies; it can dig itself in and become very difficult to dislodge.

In my opinion, it would be dangerous to set up this authority. I am sure that after 12 months' reflection the Government will be very glad if we take steps to prevent it from making what I believe to be a cardinal blunder. Before embarking on a project such as this to create an anthority, the Government wants to be very sure of what it is doing, and wants to recognise the need for caution. It is most desirable to make an examination of the proposal which could involve the Government in heavy financial commitments and long-term financial backing.

It is necessary that we should have some evidence of a programme of development which will affect the whole of the State before we can take such a step. Nobody is keener than I am to see the State develop, but there are other ways that could be properly exploited in regard to which there would be no competition; and which would go a long way towards helping us to solve this problem of centralisation which seems to be affecting this State, particularly over the last two decades.

For example, we could derive rich dividends if we paid some attention to our mineral potential. When gold was first discovered in this State, there was no worry about the Government making capital available. I think some pressure could be brought to bear by the Government for a revision of the price of gold which would mean a great deal to Western Asutralia. As everyone knows, if we could establish profitable mining enterprises in the outback areas, we would have one of the best ways of attracting population to those parts and building up permanent settlements.

We have been told that in the Hamersley Ranges the money to be won in asbestos would exceed the value of the gold we have obtained from the Golden Mile. That is something which might well call for great productive skill in order that we may enter the markets of the world. We have a tremendous agricultural potential, not only in the land that can be brought under cultivation, but also from the research which could be conducted to increase the productivity of that land. We have made a good deal of progress along those lines in our agricultural department. We have developed drought-resistant and rust-resistant wheats and, generally, have increased the State's farming potential considerably in the dry areas. Mr. Jones, one of our Council members, has, over the years, done an excellent job in promoting pasture development and establishing pasture development groups.

In regard to one part of the Miling district, Sir Edward Lefroy was told some years ago, "From here to the South Australian border is all desert," but in that same area today, by educating the farmers, establishing pasture groups, sowing the land with clover to build up its value, the cereal yield of the land has been increased one and a half times, and the stock-carrying capacity has been increased up to ten times. As a result, farmers in that area are amongst the most prosperous in the State. That kind of development is going on all over Western Australia.

A good deal, along similar lines, could be done to boost mining. Any associated problems like salt encroachment, weed control, and other kindred matters could all be investigated to build up and protect the potential that we have in this State. Some of the countries that are close to us, which are raising their standard of living, might be glad to provide us with a market for the foodstuff that we can produce. We could profitably spend money on research into such matters.

There should be no need for the establishment of an advisory committee which might easily divert necessary funds from such projects as I have mentioned, and instead make large and tempting offers to industrial concerns to establish themselves in this State, where the prospects of success are not very favourable compared with the entrenched competition of similar projects in other parts of Australia. I think I have covered the provisions of the Bill fairly well.

I repeat, that there is no need for this proposed authority to be clothed with special powers. Its members could still be co-opted by the Minister in regard to any particular line of development. They could still commence a negotiation and they could obtain all the service and advice they wanted through the usual departmental channels without upsetting a very efficient civil service and creating discontent among its ranks. I oppose the Bill.

THE HON. A. F. GRIFFITH (Suburban —Minister for Mines—in reply) [11.39]: I am surprised to think that a Bill of such importance to the Government has raised such little interest among members that there have been only two speakers on it. The only two contributions that have been made to the debate have been the speeches made by Mr. Simpson and Mr. Wise. It amazes me how sometimes a member can deliberately, or unintentionally, misinterpret the contents of a measure. Mr. Simpson said unequivocally that he thought it would be undesirable to set up another authority

which would be outside the control of the Minister. Nothing is further from the truth, because the Bill definitely states that the authority shall be subject to the Minister. What is the use of Mr. Simpson trying to lead the House to believe that the authority would not be subject to the Minister? The honourable member this evening has given a practical demonstration of how to throw cold water on the future of Western Australia.

The Hon. G. C. MacKinnon: You can say that again!

The Hon. A. F. GRIFFITH: If we accepted that advice, we would throw in the towel. We would say that the Eastern States can do much better than we can, and that the Asian markets are not worth while. We would really get down to the position where we would hang our heads in deep thought and say, "It is of no use carrying on." However, I am pleased to say that the Government has no intention of hanging its head in that fashion. It is anxious to see the State prosper, as we would all like to see it prosper. It is of no use trying to throw cold water on its prospects. It is of no use saying, "I am so solemn about the future of the State that it cannot make the grade in any shape or form. The Eastern States have an advantage over us in regard to markets, so it is of no use our doing anything about the position." I repeat, that is not the Government's attitude.

This measure has not been brought forward on the spur of the moment for consideration by members. We did not prepare and draft the Bill in five minutes; and we did not take such action as a result of being dictated to by the people we proposed to appoint to the authority. We brought forward this Bill because, during the past six years, industrial development in this State has gone to the dogs and the people are wondering what has happened. We introduced the Bill in the hope that there would be more optimism and more desire on the part of the people to go out and make a profit and say to themselves, "This is the Western Australia that gives every promise and affords every opportunity, so let us go out and do something to advantage." If we listened to Mr. Simpson we would, like he has done, throw cold water on the future of Western Australia.

As I have said, the only other remarks were made by Mr. Wise, and he seemed to adopt the same viewpoint that was expressed by Labor members in another place. The honourable member tried to convey the impression that the proposed authority could do all sorts of things concerning the activities of the Government and the disposal of State trading concerns. Mr. Simpson, incidentally, tried to convey the same impression. He suggested that the members of this proposed authority could walk into some Government department and assume control.

I ask members in all seriousness, whether they have heard anything more impossible. If a member of the proposed authority were to walk into my office, whom would he see? I suggest he would see the Under Secretary for Mines or the Manager of the State Housing Commission, or, if the matter was on a higher plane, myself. Does Mr. Simpson ask us to accept the fact that that person could walk into the department and take it over? What would I be doing in those circumstances? Does the honourable member think that I would stand by and watch that state of affairs taking place, even if that were the situation under the Bill—but it is not? The Bill sets out that on the advice of the authority and with the approval of the Minister controlling the department, the authority may do certain things.

If I do not like the recommendation in respect of my department, because the Bill uses the word "may," I do not have to be subject to it if I do not want to be. It might be very convenient or helpful to me, or to some other Minister, to seek the advice of the authority. All its members will be well experienced in business administration and in the handling of people.

It is so easy to criticise Sir Russell Dumas, and to say that because he is a Director of the Cockburn Cement Co.—frankly, I do not know and I do not care —we should be afraid of his actions. I suggest that Sir Russell Dumas, as an individual, has as much interest in the development of this State as any member in this House. He would put forward his ideas and lend assistance to the Government of Western Australia, whether it be the Government of which I am a member or a Government of a different political complexion. I venture to say that for the benefit of Western Australia he would lend his assistance to furthering the interests of this State, with no ulterior motive as was hinted. He is an elderly gentleman. What object would he have, at the period of time he has reached in life, to take unto himself some sinister idea that, because he cannot put the screws on the Government of Western Australia, he will act in his own interests? There is nothing further from the truth.

It distresses me to think that the criticism of this one man would surround the criticism of this Bill in the hope that members who are opposing it will ensure on that account, that the Bill will not become law. The true position of the proposed authority is that it will be purely of an advisory nature.

The Hon. F. R. H. Lavery: The Bill will take over the Department of Industrial Development.

The Hon. A. F. GRIFFITH: It will be an industrial development authority, but it will be subject to the Minister. The words used in the Bill are very plain.

The Hon. F. R. H. Lavery: The Minister for Industrial Development said the authority would take over the department completely.

The Hon. A. F. GRIFFITH: It will not take over the department. It will be an industrial authority. It will be subject to the Minister. It will carry out the functions specifically stated in the Bill. There is no sinister purpose. This is purely an attempt by the Government to further Western Australia more than it has been furthered in the past. I ask members to accept the fact that the Government is sincere in creating the authority which will be instrumental in attracting industry to this State. We are a primary-producing State and I hope that we will so continue to be in the main. But we have to balance our economy and we have to establish secondary industries in the State.

Mr. Simpson stated that relatively there has been little industrial development in Western Australia in the last few years. I say there has been very little industrial development here at all. The two gentlemen who have been nominated to the proposed authority, and the third one yet to be chosen, will have no effect on the legislation, because the choice of the people who will comprise the authority will be in the hands of the Government.

The Hon. G. Bennetts: This proposed body will have a lot of authority.

The Hon. A. F. GRIFFITH: It will not. It will only have such authority as the Government wants it to have. It will be subject to the direction of the Minister. As I said during the second reading the Government thinks that businessmen are better fitted and more able to negotiate for the attracting of industries into Western Australia, than are the personnel employed in the Department of Industrial Development. Businessmen can act more effectively based on their experience. I do not say this in any manner detrimental to the officers employed in the department. Mr. Gibson, one of the officers, works very closely with the two men who are now in the department in an advisory capacity; that is, Sir Russell Dumas, and Mr. Brisbane. His close association with the authority will continue if Parliament passes this Bill.

There is no suggestion that the Government is surrendering its autonomy in respect of the functions of industrial development. On the contrary, the whole of the legislation will be subject to the Minister, and his directions will be given effect to by clause 7 which states—

> For all the purposes of this Act the Authority is subject to the Minister and shall give effect to his directions.

How can we accept the statement of Mr. Simpson that the Government is setting up the authority outside the control of the Minister? That is not proposed in the Bill. The choice of the men for the industrial authority is to be made by the Government of the day.

I point out to Mr. Wise that he overlooked the fact that clause 18 is in the Bill. It deals with the powers of the Governor. This provision will ensure that none of the things which he imagined could take place would occur, because the authority will be subject to ministerial control. Mr. Wise asked why should we destroy something accountable to the Government and accountable directly to the Minister, and detach it entirely from ministerial control, because by clause 20 the authority is to be exempted in its operation from any ministerial control. That is an amazing piece of reasoning, because the first words in that clause are, "subject to the provisions of this section." That is of course subject to the Minister, as provided for in clause 7.

I say without hesitation that Mr. Wise is trying to read something sinister into this piece of legislation, and trying to present an atmosphere to some members that the Government, in introducing this Bill, has some dreadful purpose in mind. The only purpose the Government has in mind is to see that Western Australia advances; and more quickly than it has advanced in recent years.

Much emphasis was laid on the fact that the W.A. Meat Export Works, the Wyndham Meat Works and the Midland Junction Abattoir might be sold. If members take notice of the words of Mr. Wise they will be playing up to his fears, because assurances have already been given by the Government upon this point. As I interjected when Mr. Simpson was speaking, no Parliamentary authority is necessary now for the disposing of these undertakings. Everybody knows that.

Mr. Wise said this Bill will mean that any industry, instrumentality or department which comes within the definitions clause will also be able to be sold without the authority of Parliament. I say that the present law applies to State trading concerns, and the authority of Parliament will be needed for matters beyond those concerns. The sale of the W.A. Meat Export Works does not require Parliamentary authority. That has been the situation for a long time.

I find myself in a very extraordinary position in having to reply to the debate after only two members have spoken to the measure.

The Hon. R. F. Hutchison: It is not worth any more.

The Hon. A. F. GRIFFITH: I can appreciate exactly what the honourable member means. To the Government it is worth a lot more. It is an important

piece of legislation which I hope will receive the commendation of this House. I ask that this Bill be passed in order that the Government may ge given the chance to see whether the suggestions put forward and contained in it will be of merit. I conclude my speech on this note: As I said in the first place, this is not a sinister piece of legislation, and I would not like members to regard it in that manner.

It is a sincere conscientious effort to set up an authority to which businessmen will be appointed for the benefit of the advice that they can give to the Government, with the one purpose in mind—the furthering of the interests of Western Australia. If anyone has the temerity to suggest that the two people whom the Government would ask to advise it would act for any purpose other than to further the interests of the State, he would be making a shocking reflection upon two men who have given great service to the State over the years.

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

Ayes—12.

Hon. C. R. Abbey	Hon. G. C. MacKinnon
Hon. J. Cunningham	Hon. R. C. Mattiske
Hon. L. C. Diver	Hon. J. M. Thomson
Hon. A. F. Griffith	Hon. H. K. Watson
Hon. J. G. Hislop	Hon. F. D. Willmott
Hon. L. A. Logan	Hon. J. Murray
	(Teller.)

Noes—15.

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

Majority against—3.

Question thus negatived.

Bill defeated.

BUILDERS' REGISTRATION ACT AMENDMENT BILL

Second Reading

Debate resumed from the 12th November.

THE HON. A. F. GRIFFITH (Suburban —Minister for Mines—in reply) [12.5 a.m.]: This Bill was introduced as the result of a deputation taken to the Minister for Works by Mr. O'Neil, the member for Canning. The deputation consisted of members from the B-class builders' association. Although not every amendment contained in the Bill was suggested by them, basically it was introduced to make the amendments which were suggested by the deputation. Mr. Strickland said that he thought there should not be any legislation at all. I would remind him that the principal Act was introduced in 1939.

The Hon. H. C. Strickland: I was not here then.

The Hon. A. F. GRIFFITH: And was introduced by a Labor Government. The honourable member said he was not here then. Of course he was not!

The Hon. L. A. Logan: He has been here for the last six years.

The Hon. A. F. GRIFFITH: The honourable member was here, I think, when the Act was twice amended by the Labor Government of which he was a supporter. However, he did not make any move in respect of the Builders' Registration Act.

The Hon. H. C. Strickland: I was a Minister at that time.

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

The Hon. H. C. Strickland: And in the same position as you are in regarding legislation.

The Hon. A. F. GRIFFITH: I do not think the honourable member was because if we relate the remarks he made on this particular Bill to his feelings when he was in a similar position to that in which I find myself now, he will realise he was not in the same position as I am because I believe this Bill is an improvement on the situation which exists under the Act at present.

I would like to deal with one or two of the points made by the honourable member when he was speaking. He said he considered the appointment of someone other than the Principal Architect would sever any direct contact between the Government and the board. This amendment is suggested purely and simply so that the services of Mr. Clare can be retained. Members are probably aware that the Principal Architect is retiring; and the Act, as it stands, makes the Principal Architect the chairman of the board. If this particular amendment is agreed to, then the Minister would still have the right to appoint the chairman; and he could still appoint some Government architect. Because of the services rendered by Mr. Clare to the Builders' Registration Board, it was desired that he should retain his membership.

The honourable member also objected to the fact that builders outside can be registered, while A-class builders cannot be registered without undergoing an examination. That provision was incorporated in the Act to meet the number of cases which arose in regard to builders who had arrived in the State from outside and who were unable to set up business without passing an examination. The board will not grant registration under this section of the Act unless it is fully satisfied that the builder has conducted his business in some other place and is capable of carrying out his work to the satisfaction of the board.

I would point out to Mr. Strickland that that amendment was introduced by the Party of which he is a supporter, and

during the period since its incorporation in the Act, only nine people have actually received registration, whereas I am told 32 applications have been made.

I think the honourable member queried my statement that the proposals were the result of a recommendation by the Master Builders' Association and the West Australian Builders' Guild. The amendments were based on recommendations made by the Registration Builders' Board, upon which is a representative of the guild. In the absence of any opposition, it must be assumed that the guild was in favour of the proposal. The Master Builders' Association suggested that the amount of restriction on B-class builders should be £7,000 instead of £10,000. Therefore I would say to Mr. Mattiske that the association with which he is connected has a representative on this board.

The Hon. R. C. Mattiske: When Mr. Wild received the deputation, did he invite the recognised organisations to comment?

The Hon. A. F. GRIFFITH: That is just a weak one. The honourable member, I think, knows this—

The PRESIDENT: I do not think the Minister is right in questioning the honourable member.

The Hon. A. F. GRIFFITH: I am not questioning him; I am making a statement. He knows that if he seeks a deputation to me, as he has done—

The Hon. R. C. Mattiske: And will do!

The Hon. A. F. GRIFFITH: —he communicates with me and advises me accordingly. As I always do, I will willingly agree with his suggestion and receive a deputation. However, more often than not I do not know who is going to be in my office until they get there and I am introduced to them. Therefore, it is no good Mr. Mattiske asking whether Mr. Wild invited anyone, because Mr. O'Neil, the member for Canning, asked for this deputation. The honourable member is, therefore, drawing a red herring across the trail when he suggests that a representative from his association should have been invited. The fact remains that the representative of the Builders' Guild knew, because he is on the board; and if he did not tell the association of which he is a representative, I would suggest—

The Hon. H. C. Strickland: That it changes its representative.

The Hon. A. F. GRIFFITH: —that it takes him to task and do something about the matter.

The Hon. R. C. Mattiske: Did you not say that certain happenings of the board were confidential?

The PRESIDENT: I think the Minister had better proceed.

The Hon. A. F. GRIFFITH: I do not think the happenings of the board in this respect were confidential. If they were, what is the use of having a representative of the guild on the board? It must be borne in mind that the Master Builders' Association suggested that the restriction be £7,000 and not £10,000, so that information reached the board from the Master Builders' Association.

The Hon. R. C. Mattiske: After the legislation was introduced.

The PRESIDENT: Order!

The Hon. A. F. GRIFFITH: I think the honourable member suggested that the raising of the restriction to £10,000 for B-class builders was not warranted. When £5,000 was included in the Act it was considered that the field of B-class builders was for domestic work and for the smaller industrial and commercial projects. It was thought that the sum of £5,000 would cover that field. However, it is felt that there is a certain amount of other work of which the B-class builders would be capable. We know that relative costs are different today from what they were previously, and this is the reason for the increase.

Mr. Mattiske also objects, I think, to the increase in registration fees. If the fees remained at £3 3s., the estimated annual deficiency of the Builders' Registration Board would be £1,766, and this deficiency could only be made up by the sale of securities. As at the 31st December, 1958, I am informed that the board had fixed deposits of £1,500, there was an amount in an S.E.C. loan of £1,986, and £4,965 in Commonwealth loans, a total of £8,451, and a bank overdraft of £865. A fee of £4 4s. per annum would still leave an approximate deficiency of £540. So members will see there is a necessity to increase the fees to £5 5s.

The Hon. R. C. Mattiske: But if the fees are £4 4s. their reserves would carry them on for another 14 years.

The Hon. A. F. GRIFFITH: Mr. Lavery made the point that the Act applies only to the metropolitan area. That is perfectly true; it does. But if it applied to the whole of the State the Builders' Registration Board would not have the resources to be able adequately to supervise the whole of the State. It would also be unduly restrictive, as there is always a difficulty in having country work carried out.

I think beyond that the only matters to which I need pay a great deal of attention—and I do not want members to misunderstand me because I am not speaking in a derogatory sense—are the suggested amendments that Mr. Lavery has on the notice paper.

The Hon. L. C. Diver: Aren't you going to tell us the attitude of a free enterprise Government?

The Hon. A. F. GRIFFITH: In what respect?

The Hon. L. C. Diver: In limiting the activities of builders.

The Hon. A. F. GRIFFITH: B-class builders?

The Hon. L. C. Diver: No, any man who wants to build.

The Hon. A. F. GRIFFITH: I do not know what the honourable member wants me to say in that respect.

The PRESIDENT: Order! I think the Minister had better make his own speech.

The Hon. A. F. GRIFFITH: The situation is that we have had a Builders' Registration Board since 1937.

The Hon. L. C. Diver: But it has not been like this since 1937.

The Hon. A. F. GRIFFITH: The composition of the board, the rules of the board, and the activities of the board, backed by an Act of Parliament, have been for one express purpose—to protect the public of Western Australia.

The Hon. F. R. H. Lavery: No, the public of the metropolitan area.

The Hon. A. F. GRIFFITH: I agree with the honourable member.

The Hon. R. F. Hutchison: That is not its purpose either.

The Hon. A. F. GRIFFITH: It is to protect the public of the metropolitan area, because the Act applies only to the metropolitan area. Let us take the activities of the State Housing Commission. The building activities of the commission are watched closely by the supervisors of the commission, who are all over the State.

The Hon. F. R. H. Lavery: That is correct.

The Hon. A. F. GRIFFITH: The State Housing Commission is choosy in respect of the builders that it employs on its works. I have often seen reports, which have been sent to my office, in respect to tenders that have been accepted by the commission; they have been accepted on the basis that the successful tenderer is considered to be a satisfactory builder.

The Hon. L. C. Diver: That again is in the metropolitan area.

The Hon. A. F. GRIFFITH: No. As the honourable member knows, the State Housing Commission builds all over the State, from the very north to the very south and it does not confine its activities to the metropolitan area. Mr. Lavery's amendment would reverse a situation which the Builders' Registration Board is now trying to create—the prevention of dummying in the industry. It is desired, by this Bill, to prevent a state of affairs where one person can be a dummy. He might have the practical knowledge and qualifications, but he would simply be a name and would allow the unqualified person to do the work. If we agreed to the honourable member's amendments we would find ourselves in the situation where everybody who went before the board could be registered without having to undergo the necessary examinations. Such a state of affairs would be extremely unfair to the 324 persons who have already qualified by examination.

The Hon. R. F. Hutchison: And many without it.

The Hon. A. F. GRIFFITH: And it would be unfair to those persons who are now studying. A total of 218 of these people will be sitting for their examinations during this month.

The Hon. L. C. Diver: It leaves me cold.

The Hon. A. F. GRIFFITH: I am glad of that, particularly as it is a hot night! The most serious aspect of this would be that it would create a set of circumstances where the registration board would be obliged to accept the responsibility of permitting or not permitting, unregistered people to manage and supervise building work. If the honourable member's amendments became law, many of the 400-odd B-class builders, who for a long time have been seeking to be granted A-class registration certificates without examination, and a great many other persons who have not even B-class registration, would seek to use means thus created to obtain their purpose.

Those who were not approved by the board would obviously feel disgruntled; and I suggest that a very unsavoury set of circumstances could obtain if this situation were to be permitted. It would place upon the board the arbitrary power to approve or not to approve, and it could lead to a position analogous to that which has arisen in connection with the operations of the Betting Control Board. I will let it go at that. If the amendment became law it would completely undermine the Act. The Act requires a person seeking A-class registration to have had seven years' experience in the industry, and to have passed the A-class examination; and those seeking B-class registration to have had five years' experience in the industry, and to have passed the B-class examination.

The Hon. E. M. Davies: What would you term seven years' experience in the industry?

The Hon. A. F. GRIFFITH: The board lays that down, and it is set out in the Act.

The Hon. E. M. Davies: Would the seven years include the term of apprenticeship?

The Hon. A. F. GRIFFITH: Yes. The board and the Act lay it down.

The Hon. H. C. Strickland: It depends on who you are.

The Hon. E. M. Davies: I think a lot of it is just stupid.

The Hon. A. F. GRIFFITH: Mr. Strickland says "It depends on who you are." His Government administered the Act for many years, and apparently administered it satisfactorily.

The Hon. H. C. Strickland: But it does not alter the fact.

The Hon. A. F. GRIFFITH: Apparently it is operating successfully at present.

The Hon. H. C. Strickland: I don't think so.

The Hon. A. F. GRIFFITH: It is a question of opinions, which apparently we will not change.

The Hon. H. C. Strickland: We are entitled to our opinions.

The Hon. A. F. GRIFFITH: I suggest that Mr. Lavery's amendments have probably been inspired by section 10 (2) of the Act which allows the board to permit registration of builders from outside the State without the necessity of passing an examination. This amendment was made in 1953 to cater for the genuine and reputable builders migrating to this State from the Eastern States and overseas.

As I said, there were 32 applications, and nine were admitted under the section. Of the 32, and of the nine who were approved, five were from the Eastern States, three from the United Kingdom, and one from South Africa.

The Hon. H. C. Strickland: And none from Western Australia.

The Hon. A. F. GRIFFITH: If Mr. Lavery's amendments are agreed to they will make the situation much more difficult. I ask members to bear in mind the fact that the amendments in the Bill have been brought forward as a result of requests from the B-class builders, and recommendations by the Builders' Registration Board. They have been introduced with the idea of improving the situation in respect of B-class builders, and allowing them to go beyond the limit of £5,000 in respect to any contract which they enter into. I think that is a reasonable proposition.

If the Bill is lost, the opportunity to extend to B-class builders the right to build up to £10,000 will go with it, and the situation of these people, who at present are practising unlawfully, will not be assisted in any way. The Builders Registration Board can carry on prosecuting, as it has done; and that will not improve the situation.

The Hon. H. C. Strickland: Who are operating unlawfully?

The Hon. A. F. GRIFFITH: I understand that some of them are. I am not the slightest bit interested in bringing personalities into this matter. I do not want to do it. Some time ago I was asked to lay a file on the Table of the House. I want members to know that I did not even know who was mentioned in the file, because I did not want my judgment on this issue to be marked in any way.

The Hon. H. C. Strickland: That particular builder is operating legally.

The Hon. A. F. GRIFFITH: I did not even look at the file when I was asked for it. I do not want to labour the point, but I hope the House will give the Bill its blessing.

Question put and passed.

Bill read a second time.

In Committee

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

Clauses 1 to 3 put and passed.

Clause 4—Section 5 amended:

The Hon. H. C. STRICKLAND: I hope the Committee will vote against this clause, because it will sever direct connection between the Government and the board. The Minister has told us that the purpose is for the present Principal Architect, Mr. Clare, to remain as Chairman of the board. There is no reason why Mr. Clare on retirement should not represent the architects on the board.

The Hon. L. A. Logan: He has to be appointed by the architects.

The Hon. H. C. STRICKLAND: If the architects are so anxious to have him he should represent them.

The Hon. L. A. Logan: It is the Government that wants him, not the architects.

The Hon. H. C. STRICKLAND: The Minister for Local Government seems a bit peeved about this. If everybody wants him, Mr. Clare should remain as representative of the architects. My objection is not personal to Mr. Clare; I voice it because it divorces the Government from representation on the board. The architect appointed by the Government should be the Principal Architect.

The Hon. A. F. Griffith: He should also be the chairman.

The Hon. H. C. STRICKLAND: Mr. Clare should remain on the board as a representative of the association to which he belongs.

The Hon. R. C. MATTISKE: I hope the Committee will agree to this clause. Mr. Strickland says that there are two representatives of the architects' association on the board at present. If we can call the Principal Architect of the Public Works Department a representative of the architects' association, I suppose he is right. In fact there is the Principal Architect, a Government nominee who shall be chairman of the board; and apart from that there is a representative of the W.A. Institute of Architects. Mr. Strickland suggested that Mr. Clare should represent the architects. In any small committee the one who does the

bulk of the work is the chairman; and I know that Mr. Clare does a lot of work for this board; and if he were merely a representative of the Institute of Architects he would not be called upon to do the work he is now doing as chairman.

The Hon. R. F. Hutchison: Has he objected to the work?

The Hon. R. C. MATTISKE: No. This emanated from the building industry. It was suggested that Mr. Clare should be permitted to continue as chairman of the board if he were willing to accept the position. It would be in the best interests of all concerned if he continued as chairman. This merely leaves the way clear for Mr. Clare to be used in the future. I hope the Committee will accept the clause.

The Hon. A. F. GRIFFITH: I would refer members to paragraph (c) of section 5 of the Act. If we agree to Mr. Strickland's suggestion, Mr. Clare will have no place on this board because he retires in the near future. Immediately he does so then in conformity with the Act the Minister shall appoint the Principal Architect as chairman; and there will be no chance for Mr. Clare to continue on the board without somebody else being displaced. Mr. Clare has served in this capacity for a long time satisfactorily, and it has been requested that he should continue to associate himself with the Builders' Registration Board after retirement. If we agreed to Mr. Strickland's proposition it would be difficult to appoint Mr. Clare to the board without upsetting somebody else's appointment.

The Hon. H. C. Strickland: Who are the people who have asked for him?

The Hon. A. F. GRIFFITH: I understand the Builders' Registration Board asked for him. He has had a long association with the industry and should be allowed to continue to serve on the board.

The Hon. G. E. JEFFERY: I support Mr. Strickland. I have already spoken of the undoubted qualities of Mr. Clare. It is wrong in principle for Mr. Clare to continue as chairman; on his retirement the Government must find a successor for him. The continuation of Mr. Clare on the Builders' Registration Board to my mind is not as important as we are led to believe. If we are to encourage promotion from within the ranks to keep the job attractive—together with the various perks associated with it—it should go to officers of the civil service as they rise to that responsible position. I have every admiration for Mr. Clare, but his successor should succeed him as chairman of the Builders' Registration Board. Whoever the chairman of the Builders' Registration Board is, he should be the Principal Architect in Western Australia because he will approach the matter with a dispassionate outlook. I oppose the clause.

The Hon. H. C. STRICKLAND: I have no objection to Mr. Clare being on the board, but this clause could sever relations between the chairman and the board. I differ with the Minister when he said that Mr. Clare cannot get on the board.

The Hon. A. F. Griffith: I said it would be difficult to find a place for him.

The Hon. H. C. STRICKLAND: He could represent the architects or the master builders. He could be a representative of the workers if the Government saw fit to appoint him as such. The clause should provide that the chairman be appointed by the board rather than by the Government.

The Hon. R. C. MATTISKE: Mr. Jeffery talked about perks. The members of the board, including the chairman, receive three guineas per meeting with a maximum of £37 16s. per annum. The chairman spends a considerable time on the board's affairs both in his office hours and outside them. So it is by no means a perk to anyone to receive that amount in return for his services. It is a token payment to cover expenses, and not a remuneration for time spent on the board's affairs.

I would say that any chairman of the board who did not possess the background that Mr. Clare has acquired since the inception of the board would not be particularly happy about taking over the onerous task with a remuneration of £37 16s. for the year. Do not let us think this is some additional remuneration which might be directed towards the Principal Architect for the time being; it is merely a token payment. I hope that will not cause members to vote against the Bill as printed.

The Hon. R. F. HUTCHISON: I rise to support the views put forward by Mr. Strickland and Mr. Jeffery. If the Principal Architect is removed, control is removed from the Government and it will not be in the best interests of the working of the legislation. Mr. Clare has done an excellent job, and I do not see any reason why the Government should divorce the Principal Architect from the legislation. I think the position should remain as it is now.

The Hon. J. M. THOMSON: I am a little anxious about divorcing the Government from the Builders' Registration Board. If an appointment is made by the Governor, that means by the Government; and I think we are splitting straws over this because the Government could retain the services of the Principal Architect. If Mr. Clare was not able to continue in the office on account of death, I assume the Government would then appoint the Principal Architect.

The Hon. L. A. Logan: We can always amend the Act back again.

The Hon. J. M. THOMSON: I do not think the Government should sever its connection with the registration board.

Clause put and passed.

Clauses 5 and 6 put and passed.

Clause 7—Section 10A amended:

The Hon. R. C. MATTISKE: I move an amendment—

Page 3—Delete paragraph (a) in lines 8 to 10.

The purpose of paragraph (a) of clause 7 is to increase from £5,000 to £10,000 the value of a contract which may be entered into by a B-class builder. It has been stated sufficiently in debate that the whole purpose of the legislation is to afford protection to the public. When the parent Act was first introduced there was provision for builders to be registered; and at that time it was pointed out that certain individuals engaged in maintenance work, renovations, and small additions should be catered for. Therefore, provision was made in the original Act to provide that work to the value of £400 would not be covered by the Act.

Subsequently, that amount was increased to £800 when the cost of building went up in the post-war period. There are many persons engaged on renovations and small additions who are quite happy about that. They have no desire to be registered in any way, because they are happy to continue with that type of work. Then subsequently, without any reference to the industry, the previous Government opened the gate and enabled any persons at all to be registered; and they were then called conditionally registered builders. No examination or test was required, and the gate was open for anyone to be registered as a conditionally registered builder. It was realised that a mistake had been made and that concern was being felt in the building industry. This resulted in a further amendment being made to the parent Act under which builders were classified as class A and class B. It was provided that a B-class builder would be restricted to £4,000 in any one contract.

Subsequently the amount of £4,000 was increased to £5,000. If the present amendment is accepted by the Committee, it will mean that any work to the value of £10,000 may be carried out by a B-class builder. At the present time there are many B-class builders who are quite competent in the field of work in which they are at present engaged. However, I venture to say that they have not the experience or knowledge to permit them to take on bigger contracts. Even with contracts up to £10,000 there develop, from time to time, certain technical problems which require skill and knowledge. Those persons who have not that skill and knowledge involve the owners in unnecessary responsibility and trouble. In addition, they could involve those employed on the job in injury or loss of life.

As I said in my second reading speech, the technical school provides classes in which these fellows can receive tuition; and the examinations are by no means restricted, as is evidenced by the number of persons who pass them year after year. Those individuals who do not avail themselves of a course of instruction, or who do not endeavour to pass an examination and qualify as an A-class builder, should not be given any consideration.

If the Bill passes in its present form, many of those persons who are at present studying to improve their knowledge of the building industry will lose the initiative. They will say that there is no incentive for them to study to fit themselves for building when others, without studying, can get registration enabling them to tender for contracts up to £10,000. There are certain individuals who have not the capacity to pass a written examination, and they are given instruction by the board. I feel that the board should give them a little more encouragement by inspecting their practical work after they have been practising as B-class builders for three, four or five years. If there were some means of examining them, other than by means of a written examination, it would be in the interests of a lot of these fellows; they would make a genuine effort to improve their knowledge to qualify as A-class builders by examination. If this Bill is passed as printed, a large degree of protection to the public will be taken away.

The Hon. J. M. THOMSON: I oppose the amendment because it restricts the B-class builder to a maximum of £5,000. I can envisage that a B-class builder would not, because of restrictions, be able to build a house costing £6,000 or £7,000. I cannot agree with Mr. Mattiske that a person may not be qualified or competent to do it. B-class builders are men who are tendering for and carrying out a large amount of work. They employ competent foremen, and, in many instances, engage an architect to supervise the work.

These people should not be restricted to jobs to the value of £5,000 when they are able, quite competently, to carry out work to the value of perhaps £20,000 in country areas, without the supervision of an architect. Any trouble arising out of a job can be overcome by arbitration, and I do not see why these people should be restricted as proposed. I oppose the amendment.

The Hon. L. C. DIVER: I was struck by the manner in which Mr. Mattiske covered up the facts of the case. He referred to the qualifications of the A-class builders, but no-one can deny that any competent clerk or accountant could study and become registered as an A-class

builder; whereas there are hundreds of thoroughly competent men who have served an apprenticeship in the industry and have grown up with it but who, under this amendment, would not be given opportunity to progress and become A-class builders. In the country such men can build with no restriction on the value of the structure and without the supervision of an architect. I would also remind the Committee that the amendment makes no allowance for the increase in building costs, so I hope the Committee will not agree to it.

The Hon. H. C. STRICKLAND: It is not often we find the secretary of an organisation opposing legislation which seeks to better the welfare of its members. I am amazed that Mr. Mattiske should have moved this amendment. The 420 B-class builders affected are the remnant of the 1,600 who originally applied for registration; and it is obvious that only the competent men remain. The board agrees that the remaining men are competent, and it believes that the £5,000 restriction placed on them in 1956 should be increased to £10,000. It also feels there is no longer any need for the statutory statement at the end of each year as to the value of the contracts undertaken during the 12 months. I remind Mr. Mattiske that the men concerned here have already served their time as builders, and I hope the Committee will not agree to the amendment.

The board has had its inspectors in the field since 1940, and I assume that the men to whom most attention would be paid would be the B-class builders whom some people want in the industry only as supervisors for the A-class builders.

The Hon. R. C. MATTISKE: Mr. Thomson said these men should not be restricted to £5,000 because they often carry out work to a much greater value in the country without the supervision of architects, although that is the very time when supervision is needed. I take strong exception to Mr. Diver's statement that I am covering up. I am not covering up, but am going to the other extreme, as Mr. Strickland said. He cannot understand why I, as secretary of the Builders' Guild, should be trying to restrict some of its members. That is certainly not covering up. Mr. Diver implied that certain persons who started as apprentices in the industry were not given an opportunity to progress, but that is not so. The five-year apprenticeship served is counted as part of the seven years in the industry required by the Act.

Persons cannot qualify for registration simply by passing the written examination, because, as I have already pointed out, it is necessary to serve seven years in the industry. Mr. Strickland said that the 420 B-class builders remaining must be competent. When Mr. Tonkin opened the gate and permitted anyone to register conditionally, 1,600 people took advantage of that provision. Most of them registered only in order to secure trade discounts for their own self-help building jobs, and, when that work was completed, they no longer wanted registration. The 420 remaining B-class builders are the legitimate builders.

The Hon. H. C. Strickland: Don't you think the £5,000 worth of work per annum put many of them out?

The Hon. R. C. MATTISKE: No.

The Hon. H. C. Strickland: I am referring to the statutory declaration to the board.

The Hon. R. C. MATTISKE: No builder who did less than £5,000 worth of work in a year could afford to remain in the industry, because the amount of profit he would make from that—even at 7½ per cent.—would not keep him in bread and butter. The limit of £5,000 was imposed to ensure that those persons who were self-help builders and who may have had a desire to carry on as builders, could not do so. The legislation is designed to protect the public. I am not here to look after the interests of members of the Builders' Guild, among whom are B-class builders.

The Hon. H. C. Strickland: Why do you accept their money?

The Hon. R. C. MATTISKE: This limit of £5,000 has been discussed at meetings of the Builders' Guild; and the guild, as a body, has been opposed to the increase from £5,000 to £10,000. Mr. Strickland asked why I accepted their money. It is not I who accepts their money, but the guild as a whole. It accepts the fees from the members, and from those funds they derive considerable benefit, because the funds are used in looking after their own interests. It is a pity that principle could not be extended to some of the larger contractors, because it would save a lot of people from getting into trouble. In the past we have seen those people who have thought that the boss was getting money easily in the post-war period, and who started up as builders. However, many of them went to the wall. As Minister for Housing, the Minister in charge of this House has had experience of that in his administration. Certain people are not competent to carry on a business as well as perform actual physical building work.

The Hon. H. C. Strickland: Does that apply to A-class builders also?

The Hon. R. C. MATTISKE: Yes. I merely wanted to correct those few points, but I am still sticking to the amendment I have on the notice paper.

The Hon. A. F. GRIFFITH: There was a total of 1,600-odd so-called B-class builders; but that number has now been reduced to 400-odd. The fact is that the Builders' Registration Board is prepared to register these men if they are capable of entering into a building contract to the value of £5,000. Emphasis has been placed on the point that now the Bill proposes to increase that limit from £5,000 to £10,000, B-class builders will desire to undertake work up to that value. I do not agree with that. They might undertake work which exceeds £5,000 in value which they are not able to do now, but they are not obliged to take contracts involving work up to the value of £10,000.

In any case, a very fine line is being drawn. For example, the State Housing Commission calls tenders for six houses of a value of £3,000 each. That is a total of £18,000; yet a B-class builder would be able to tender for that work.

The Hon. H. C. Strickland: But if they were semi-detached, at present, it would be all wrong.

The Hon. A. F. GRIFFITH: That is so. I believe that a great deal of harm would result in permitting B-class builders to undertake work to a value of £10,000. I understand that the Master Builders' Association suggested that the limit be increased to £7,000. I do not think Mr. Mattiske's fears concerning the increase in this limit will materialise.

Amendment put and negatived.

Clause put and passed.

Clause 8—Sections 10B, 10C and 10D added:

The Hon. F. R. H. LAVERY: I move an amendment—

> Page 3, line 20—Insert after the word "Act" the following words:—
>
> > or by a partner who has been a manager and supervisor of building work for not less than five years prior to the coming into operation of the Builders' Registration Act Amendment Act, 1959, and who is, in the opinion of the Board arrived at in such manner as the Board thinks fit, competent to carry out building work.

I move this amendment in the spirit that was suggested to me by the Minister. The latter part of the amendment has been included because there is already provision in the Act that if a builder comes to this State from the Eastern States, and the board is satisfied of his competency, he can be registered. That provision is designed to circumvent a section in the Act which provides that where there are two partners engaged in building operations, one only of whom is registered, he must be the one to supervise the work. In the past, this provision has not been strictly adhered to. If the amendment is agreed to, the unregistered partner who supervises building work at present will not be prevented from doing so in the future.

The Hon. A. F. GRIFFITH: The Act provides that any company or other body corporate, whose building work is managed or supervised by a person, registered under this Act, is exempt from obtaining registration. I am sure that members realise that there are many builders operating under this provision; particularly real estate companies. These people often advertise themselves as A-class builders; but they are, in fact, misleading the public. I ask the Committee to exercise some caution concerning this amendment, particularly as we have agreed to increase the value of any building work done by a B-class builder.

If we agree to the amendment, the Builders' Registration Board will be able to register anybody with five years' experience as a builder. What will happen to the 218 candidates who, I am informed, will sit for their builders' registration certificate examinations this month? Will we not create a situation where there will be no longer any incentive for a person to study? Prospective candidates will say, "We can obtain registration by approaching the board." However, they may not, and if they do not, there will be an unhealthy state of affairs created.

It is not unreasonable to ask a builder to adhere to a certain standard: It is not unreasonable to ask him for some indication of his capabilities and competency in regard to building a house. The amendment simply provides that any land agency company will require to show in its advertisement the name, class, and registration number of the person who is managing and supervising its building work. I point out that examinations for builders have been conducted in the Eastern States for some time. That pertains to the Eastern States, but not here, because the building industry is on a keen and competitive basis. I cannot see builders from the Eastern States or overseas being interested in undertaking contracts in this State. We should set some standard to which builders should adhere.

The Hon. E. M. HEENAN: I see some merit in the amendment. By agreeing to it we will not destroy the incentive of the 218 builders, referred to by the Minister, to pass their examinations.

The amendment provides protection to some builders. The wording of the amendment is mandatory. The builder has to be engaged in the capacity of manager or supervisor for not less than five years; furthermore, he has to be, in the opinion of the board, competent to carry out building work.

The Hon. R. F. HUTCHISON: I support the amendment. I received a letter from the Suburban Building Co. relating to this amendment. It proves that more than one builder will suffer if the clause, in its present form, is passed. It reads—

> Re the proposed amendment to the Builders' Registration Act, now before Parliament.
>
> Upon reading the first published report of the above Bill in the Legislative Assembly, we contacted our member, Mr. Grayden, and explained to him certain points which we considered should, in fairness to many builders, be embodied in the proposed amendment. For instance, when the original Bill of 1939 was first introduced, all builders who applied for registration were duly registered without any examination.
>
> We consider that in cases where a builder has successfully conducted his business over the past five or six years, which covers probably the most difficult period the trade has experienced (as is evidenced by the number of registered A-class builders who have gone bankrupt), during which time he has erected buildings each worth £20,000 to £25,000 or more, and has performed this work to the satisfaction of reputable architects, and furthermore, whose business reputation ranks very highly with all the merchants in Perth, such builder should be entitled to the same privilege as those of 1939 who were taken over, so to speak, with the original Act.
>
> We would appreciate your co-operation in having an amendment included in the Act now before Parliament, that would enable experienced builders as above referred to, to continue in their line of business without theoretical examinations, as a builder's time is fully occupied these days in supervising his jobs during the daytime, and working late hours at night tendering for further contracts.

If the amendment is not carried, building companies such as this one will be ruined. Some builders have operated in conjunction with a partner who is a registered builder. That is exactly what happens in the case of the big construction companies. When the registered builder in a big company goes overseas, he retains a supervisor to attend to the job. The registered builder will not be on the job all the time.

At this late hour in the session we should not be dealing with legislation which is peculiar to this State. It is not in existence in any other part of Australia. It seeks to place reputable builders in the hands of the Government and to subject them to its whim. I examined many housing development schemes in the various States which I visited, and I know that the people are perfectly satisfied with the position which exists in the other States.

This legislation was brought in at a time when materials were in short supply and labour was scarce; consequently the standard of work was not as high as it should have been. This Government states it believes in private enterprise. Surely no-one is more worthy of consideration than a builder who has battled along and reached a high standard in the industry. What better example is there of a person who has succeeded in private enterprise?

Some question was raised as to why these people did not undertake the necessary examination. I know the reasons in the case that has been referred to, but I shall not give them at this stage. The Bill is an oppressive piece of legislation. It was stated that the Labor Party introduced it, but I was not here at the time. When conditions are difficult in any industry, substandard work may be carried out; and that applies to the building industry. Even now the trade unions in this State are not anxious to retain this legislation. I know what the effect will be if the Bill is passed. It introduces oppressive conditions. If I am here next session, I shall endeavour to have the Act repealed.

The Act and the provisions in the Bill are to apply to the metropolitan area only; yet builders can go out into the country and undertake contracts of any size. In the metropolitan area there seems to be a circle of builders who are to be protected. I cannot understand the reason.

The Hon. A. F. GRIFFITH: The provisions in the clause under consideration were requested by the Builders' Registration Board. It is not oppressive legislation. Is not Mrs. Hutchison interested in protecting the public? I can show her many jerry-built houses in the metropolitan area; and many people have invested all their life savings in houses which were not built to the required standard.

The Hon. H. C. Strickland: Despite 20 years of operation of the Act.

The Hon. A. F. GRIFFITH: The Builders' Registration Board found land agents and others hiding behind the cloak of a registered builder to carry on operations.

The Hon. L. C. Diver: How long has that been going on?

The Hon. A. F. GRIFFITH: For some time. The board wants to put an end to it.

The Hon. R. F. Hutchison: What damage has it done?

The Hon. A. F. GRIFFITH: I can show the honourable member many substandard houses which have been built. I point

out what takes place when a retired plumber lends his registration to another party to undertake plumbing work.

The Hon. R. F. Hutchison: Why does this legislation not apply in other States?

The Hon. A. F. GRIFFITH: I am concerned with Western Australia at the moment. If a retired or elderly plumber lends his name to a company and does not supervise the work himself, he will find himself in trouble with the Public Works Department.

The Hon. E. M. Heenan: But this proposed supervisor has to be approved by the Board.

The Hon. A. F. GRIFFITH: That is so. This would mean that we would have 218 people ready to sit for the examination. Some would pass and some would not. Those who did not would be classed as being not capable of building something to the value of £10,000. If this amendment were passed, no reference to examinations would be made, and a person would become a registered builder if the board said he could be registered. The Bill simply provides that the person who supervises shall be registered.

The Hon. H. C. STRICKLAND: The Minister and the board seem very perturbed about those who have passed the examination, and those who are now ready to sit for it. I think that is the only substantial argument submitted by the Minister against this proposal.

The Hon. A. F. Griffith: It is unfair that some should have to study and others not.

The Hon. H. C. STRICKLAND: I think Mr. Heenan explained the situation fairly well. The builder who passes an examination can nail a brass plate outside his office, the same as Mr. Mattiske can as an accountant. But the man who has spent his lifetime on the practical side of the work is surely entitled to consideration also. The amendment moved by Mr. Lavery is designed to allow the board, if it sees fit, to register a man with whose work it is satisfied. This provision applies, in the principal Act, in regard to anyone who is not a Western Australian. It is now desired to include Western Australians in that provision.

However, I am a bit fearful of the operation of the whole clause. Is it intended that this legislation will have an effect over the whole State? Certain people are exempt from obtaining registration under this Act.

The Hon. E. M. Heenan: How are they exempt?

The Hon. H. C. STRICKLAND: The provision in the Act makes them exempt. For instance, a local authority is exempt. Also as long as one of the partners in a partnership is a registered builder and supervises the work, that partnership is exempt from registration.

The Hon. A. F. Griffith: No. The provision now is that as long as they have a registered builder whose name is included, then they are exempt. Joe Blow could do the work.

The CHAIRMAN: What about getting back to the amendment?

The Hon. H. C. STRICKLAND: I am dealing with the amendment which deals with partnerships.

The CHAIRMAN: I know, but the honourable member is going all round it and there has been far too much tedious repetition all night.

The Hon. H. C. STRICKLAND: I am sorry, but to explain my point, I am asking for information on the matter. The only substantial argument given by the Minister against this amendment is in regard to those who have sat for an examination or who are about to sit for an examination. Mr. Lavery wants the same provision to apply to Western Australians as applies to people coming in from outside.

The Hon. A. F. GRIFFITH: What I endeavoured to convey to the Committee was that in the event of this amendment being agreed to, it would hardly be fair to those 324 people who were registered as B-class builders as a result of examination. It would also be unfair to the 218 who are ready to sit for the examination this month; and it would hardly be fair to the 400-odd B-class builders, some of whom have, for a long time, been seeking registration as A-class builders.

Would it be fair to have a dentist qualified to extract teeth and provide dental attention, and then in the Dental Act have a provision stating that a particular group of persons need not worry about passing an examination? In the same way I believe this amendment, if passed, would not be fair.

The Hon. F. R. H. LAVERY: Would it be fair for us to pass the Bill as it is printed, and put out of business a company in South Perth, and others which too, have done building work to the extent of £100,000 per annum over the last eight years? The Minister knows as well as I do that we are splitting straws over this matter. I believe there were some land agents selling blocks of land and telling people that they would build on those blocks; and then registered builders were doing the work for them. That is a type of dummying; but my amendments are designed to give justice to a small group of people who, if the Bill as printed is agreed to, will be out of business tomorrow. I will be surprised if that is the sort of private enterprise that this Government stands for. I agree with the Minister that this, virtually, is not a Government Bill.

The Hon A. F. Griffith: I did not say it was not a Government Bill.

The Hon. F. R. H. LAVERY: No, but the Minister resented Mrs. Hutchison blaming the Government for introducing it; and I agree with the Minister in that respect.

The Hon. A. F. Griffith: But she blames the Government for everything.

The Hon. F. R. H. LAVERY: I blame the board for it. Had the board taken a commonsense attitude and offered these people registration, the amendments need not have been introduced. These amendments have been drawn up by the Parliamentary Draftsman, who omitted several words which I had in the amendment I wanted to have placed in the Bill; but the board would know the half-a-dozen people who would be affected if the amendments were agreed to.

What has the board done to stop these people from building over the last eight years? I went through the complete file which was laid on the table, and I took it upon myself to make a copy of it. The particular builder concerned was fined £3 and then £2, and the inspector suggested that he be fined again for not having a sign on the building. The board's solicitors wrote to the board on the 5th August asking about a prosecution, and the board replied on the 17th August stating that it did not intend to proceed with the case. That shows how much interest the board has taken in the matter. In all those years it has made no attempt to force Costello to put up a sign. I am trying to make it possible for Costello, and the company in South Perth, to continue in business.

The Hon. R. F. Hutchison: And others.

The Hon. F. R. H. LAVERY: There will be six or seven big people concerned. If this firm has been dummying so much that it has worried the board, why has not the board done something about prosecuting it?

The Hon. A. F. Griffith: Can you tell me what would happen, under this amendment, to a man whom the board refused to register?

The Hon. F. R. H. LAVERY: I am assuming that when the board was asked to register a certain person it would have to be satisfied that the person had been carrying out building work to the annual amount stated and that he had been doing it for five years. If he could prove to the board that such was the case, the board would register him. The cases I am submitting are of builders who have been building for years; and to the extent of £100,000 worth of work per annum. They have been building three-storeyed buildings; and the board, at some period, must have felt that it could not stop them. If members read my amendment, together with the one which follows it, they will see how it all works in. The board knows the type of work that Costello and the others have been doing; but if a person had built one or two houses at Kalgoorlie or Esperance he would have to prove to the board that the work was satisfactory. I hope the amendment will be agreed to.

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

Ayes—12.

Hon. G. Bennetts	Hon. F. R. H. Lavery
Hon. E. M. Davies	Hon. H. C. Strickland
Hon. L. C. Diver	Hon. J. D. Teahan
Hon. J. J. Garrigan	Hon. R. Thompson
Hon. E. M. Heenan	Hon. F. J. S. Wise
Hon. R. F. Hutchison	Hon. G. E. Jeffery

(Teller.)

Noes—13.

Hon. C. R. Abbey	Hon. R. C. Mattiske
Hon. J. Cunningham	Hon. J. Murray
Hon. A. F. Griffith	Hon. C. H. Simpson
Hon. J. G. Hislop	Hon. H. K. Watson
Hon. L. A. Logan	Hon. F. D. Willmott
Hon. A. L. Loton	Hon. J. M. Thomson
Hon. G. C. MacKinnon	

(Teller.)

Pair.

Aye.	No.
Hon. W. F. Willesee	Hon. A. R. Jones

Majority against—1.

Amendment thus negatived.

The Hon. H. C. STRICKLAND. The Committee should vote against this clause. Do the provisions of proposed new section 10B mean that a partnership operating in Geraldton, Kalgoorlie or Albany will be required to do the things set out?

The Hon. A. F. Griffith: No. The activities of the Builders' Registration Act apply to the metropolitan area only.

The Hon. H. C. STRICKLAND: I am doubtful about that, even though we have the Minister's assurance. The Minister said the clause is designed to eliminate dummying. I fail to see how it will do that, because there are always several loopholes. I would like to hear from the Minister further.

The Hon. A. F. GRIFFITH: I do not want to mislead the Committee. I said the Act would only apply to the metropolitan area; I was not quite right, and I would refer members to section 3 of the Act. To the best of my knowledge no other area has been proclaimed, and it is not intended to proclaim any other area.

The Hon. H. C. STRICKLAND: I thank the Minister for this information. It would not be possible for a partnership to operate successfully and meet the requirements of this clause. I would refer members to paragraph (a) of proposed new section 10B. If a partnership has buildings under construction even around the metropolitan area I fail to see how the provisions could be applied. It could not operate as the board may require it to operate, because as Mr. Mattiske has said on more than one occasion the reason why the Act is confined to the metropolitan area is that the board would not be able to police the Act if it were extended outside the metropolitan area. So if the board is unable to police the Act outside the

metropolitan area, is it reasonable to expect a partnership to supervise works which could be spread out in various towns of the State?

As an example, I would quote the Geraldton Construction Co. They would not be required to provide the same supervision as a partnership. Proposed new sections 10B and 10C conflict; and they discriminate as between a partnership and a company. Where there is a partnership the partners therein shall cause their work to be managed and supervised between the partners registered. I would refer members to proposed new section 10C to indicate its relation to a corporate body. This clause is designed to catch up with certain persons who are operating.

It would still not make any difference if the person were employing dummies, because that is what companies do. The Minister said this was the board's amendment not the Government's, so the board is trying to catch land agents and other persons operating as A-class builders. In the 20 years of operation of this Act there has been no dismay. The Minister says he could show us jerry-built houses. But that would be further proof that the Act and the Builders' Registration Board were ineffective. Buildings in Perth are no better or any more substantial than the buildings in other capital cities of the world. Inquiries have been made, and it has been found that this is the only place in the world where such a restriction operates. This merely pushes the price up in the metropolitan area, and it must stifle competition if it continues to operate, because in the 20 years there have been only 118 registered by examination; and there are another 200 sitting now, the Minister tells us. They will not all pass. The older ones must be reaching the stage of leaving the industry, and we will finish up with a small body of men who will have a monopoly.

The Hon. A. F. GRIFFITH: I said this Bill was introduced by the Government partly on the recommendation of the Builders' Registration Board. I do not want to hide behind the fact and suggest it is not a Government Bill, because it is. It resulted from a deputation to the Minister for Works by Mr. O'Neil. Furthermore, I did not say there were 100-odd men who had passed the examination, but 322 who had passed, with another 218 to come. I refer Mr. Strickland to section 4, subsection (2) which deals with exemptions, and the type of people exempt from registration. We are to alter that in respect to architects and engineers. The Act provides that any company or other body corporate whose building work is managed and supervised by a person registered under the Act is exempt from the necessity of registering. That means a company or body corporate is exempt from registering because it has a qualified person managing and supervising the work. Because of the Act there are building companies which have taken the names of registered builders and applied them to their own concerns. That is where the dummying comes in. There have been instances where the registered men have not been on the job for weeks and months.

The Hon. R. F. Hutchison: How could they be if they had more than one job going?

The Hon. A. F. GRIFFITH: The persons concerned are not building at all. One has only to pick up *The West Australian* to see advertisements by some people who will build for returned servicemen for an extremely low deposit. Those people are not qualified builders at all; but, to defeat the Act, they use the name of a registered builder. The board requires that a company operating under this Act shall show in its advertisements, and on a notice board, where the work is being carried out, the name and class of the registered builder, and the person who is managing and supervising the work. The Act provides that in regard to a partnership in which not more than one is not a registered builder, there is exemption from the necessity of obtaining registration. This provision is being used by unregistered builders to permit them to operate. They simply borrow the name of a fellow who is registered. In quite a number of cases unregistered persons have entered into a partnership, and the registered builder's interest in the firm has been a nominal £1.

The Hon. H. C. Strickland: Is the work up to standard?

The Hon. A. F. GRIFFITH: I do not know. I suppose in many cases it would be. The board thinks the present provision is unsatisfactory and has recommended that the Act be amended to provide that in any partnership which includes unregistered persons, the building work of the partnership must be managed and supervised by the registered person in the interests of protecting the public.

Clause put and passed.

Clause 9—Section 22 amended:

The Hon. H. C. STRICKLAND: I move an amendment—

> Page 4, line 19—Delete all words after the word "by" and substitute the following:—
>
> inserting after the word "builder" in line 3 the passage—"class A, a fee of five pounds five shillings and by every registered builder class B."

The object of this amendment is to allow registered B-class builders to register for the existing fee of three guineas.

The Bill provides for registration fees to be raised from three guineas to five guineas for both A and B-class builders.

The Hon. H. K. Watson: They can build up to £10,000.

The Hon. H. C. STRICKLAND: Yes, but the B-class builder is still restricted. In all justice, a B-class builder should not pay the same fee as an A-class builder. The builders who are considered to be inferior should pay a reduced fee.

The Hon. J. M. THOMSON: I do not support the amendment, because earlier this evening we raised the amount of building which can be performed in a year by 100 per cent. in regard to a B-class builder. Therefore, he would be capable of paying a five-guinea registration fee. I propose to move an amendment to make the five guineas operative within the metropolitan area. The Bill is not operative in country areas and I do not think builders in those areas should have to pay five guineas. I oppose the amendment.

The Hon. A. F. GRIFFITH: The Committee has agreed to increase the limit from £5,000 to £10,000, and the board is giving its services equally to A-class and B-class builders. For the year ended the 31st December, 1958, the board had a total income of £4,379, and it hopes, with the increased fee, to have an income of £6,815. There are 730 A-class builders and 430 B-class builders, and, apart from the fees, the board has other income of £725 derived from investments. Its estimated expenditure is: administration, £2,570; inspections, £3,290; examination fees, £285; or a total of £6,145, which would mean an estimated surplus of £670. At present members of the board receive £3 3s. per sitting, with a maximum of £37 16s. in any year, and it is thought they are entitled to £4 4s., with a maximum of £50 8s. Without the proposed increase in the fee, the board will not be able to meet its commitments. Mr. Thomson said the country builder should not have to pay the fee, but he receives the same services as the metropolitan builder. I hope the amendment will not be agreed to.

The Hon. R. C. MATTISKE: The Minister has told us the board has reserves totalling £8,400 and a bank overdraft of approximately £865, leaving it a reserve of £7,500 in round figures. On the basis of the £3 3s. fee the estimated deficit for the coming year is £1,766. With 1,160 registrations, the income from a £4 4s. fee will be £4,872, still leaving a deficiency of £1,173. The amendment would involve administrative and bookkeeping difficulties. In reply to Mr. Thomson, I would point out that if a country builder does not wish to pay the fee he can have his name placed on the suspended list, and he then pays no fee until he asks to be replaced on the active list.

The Hon. H. C. STRICKLAND: I do not think any differentiation in fees should cause bookkeeping difficulties, as the only difference involved would be the writing out of a receipt for a different amount. When a man has to put up a notice on the job as required by the Bill, he feels that he is placed in a lower grade in the public mind. In *The West Australian* of the 10th May, 1958, there were two advertisements by Architects Associates of St. George's Terrace. One invited tenders from registered A-class builders for a hall at Mt. Yokine, a job which would probably come within the £5,000 limit. The other invited tenders from A-class builders for a house in Mt. Lawley. Those advertisements show that they did not want to have anything to do with the B-class builder. So there is a distinction.

The Hon. A. F. GRIFFITH: Persons responsible for such advertisements will now realise that the limit has been raised to £10,000 and that could easily do away with that kind of advertisement. A fee of £4 4s. instead of £5 5s. would result in an annual deficiency of £540 for the board, while with the £3 3s. fee the deficiency would be £1,766.

Amendment put and and a division called for.

CHAIRMAN: Before the tellers tell, I give my vote with the ayes.

Division taken with the following result:—

Ayes—13.

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

Noes—13.

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

The CHAIRMAN: The voting being equal, the question is resolved in the negative.

Amendment thus negatived.

The Hon. J. M. THOMSON: I cannot agree with the contention that the registered builder in the country receives any benefit from being registered.

The Hon. A. F. Griffith: Why does he join?

The Hon. J. M. THOMSON: I, and many other country builders, became registered because we would then be entitled to build in the metropolitan area, if we ever came to Perth.

The Hon. A. F. Griffith: Would not that be a benefit?

The Hon. J. M. THOMSON: If a registered builder in the country was desirous of building in the metropolitan area, he would willingly pay the five guineas; but I cannot see why he should pay that amount when he receives no benefit.

To those who are concerned about the financial side of the board, I suggest that a charge could be made for the inspections that are carried out by the board from time to time. This charge could be applied towards meeting the deficit. I move an amendment—

> Page 4, line 19—Delete all words in the clause after the word "by" and substitute the following:—
>
> inserting after the word "builder" in line three, the passage—"within the metropolitan area as defined by section three of this Act, a fee of five pounds five shillings; all other registered builders."

The Hon. H. C. STRICKLAND: I am sorry, but I cannot agree with Mr. Thomson when he says that a country builder receives no benefit from being registered as an A-class builder. If he pays 10 guineas a year, he gets a cheap advertisement, because he can advertise himself in the newspapers, and he can exhibit signs, where he operates, showing that he is an A-class builder. The fact of being an A-class registered builder carries a terrific amount of weight with people who want to build. The country builders who are registered will retain their right, whether or not they pass an examination, to build a town hall in Perth if they so wish.

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

Ayes—5.

Hon. L. C. Diver	Hon. J. M. Thomson
Hon. A. L. Loton	Hon. R. F. Hutchison
Hon. C. H. Simpson	*(Teller.)*

Noes—18.

Hon. C. R. Abbey	Hon. G. C. MacKinnon
Hon. G. Bennetts	Hon. R. C. Mattiske
Hon. J. Cunningham	Hon. J. Murray
Hon. J. J. Garrigan	Hon. H. C. Strickland
Hon. A. F. Griffith	Hon. R. Thompson
Hon. E. M. Heenan	Hon. H. K. Watson
Hon. J. G. Hislop	Hon. F. D. Willmott
Hon. G. E. Jeffery	Hon. F. J. S. Wise
Hon. L. A. Logan	Hon. J. D. Teahan
	(Teller.)

Majority against—13.

Amendment thus negatived.

The Hon. R. C. MATTISKE: I move an amendment—

> Page 4, line 21—Delete the words "five pounds five shillings" and substitute the words "four pounds four shillings."

From the figures given by the Minister there will, on the basis of a subscription of three guineas be an estimated deficiency of £1,766 during the current year. If the fee is raised to five guineas there will be additional revenue of approximately £2,400, and this will mean a surplus of just over £630. The board has accumulated funds of over £8,000 from which the bank overdraft must be deducted, leaving an amount of approximately £7,500.

It is not the purpose of an organisation such as this to accumulate funds to that extent. If it is going to budget for a surplus of more than £630, the position will become worse; the funds will reach terrific proportions. On the basis of an annual subscription of four guineas, the result will be a deficiency of approximately £550. The total income for the year, on the basis of four guineas, will be approximately £5,600, and the estimated expenditure is £6,145, leaving a net deficiency of approximately £550. Bearing in mind that the board has accumulated funds amounting to £7,500, it means that it has reserves which will enable it to continue on the basis of an annual deficiency of £550—that is with a fee of four guineas—for another fourteen years. That is more than ample. As it is not the purpose of the board to accumulate funds, an annual subscription of £4 4s is sufficient.

The Hon. A. F. GRIFFITH: The Committee made it clear that the fee of £5 5s. per year was to be retained. If the fee is fixed at £4 4s. there will be a deficiency of £500. Whilst the board possesses assets to the value of £8,450, they are made up of fixed securities. In the first year it will have to dispose of some of these securities if the amendment is agreed to. A balance of £8,000 is not very large for any board to retain. It is better to budget for a slight surplus.

The Hon. R. C. MATTISKE: Besides the subscription fee, certain other items of revenue have to be added. These are as follows:—

	£
Application fee	20
Certificates	5
Examination fee	320
Interest	300
Fines and penalties	60
Sundry revenue	20

The figure of £5,600 is therefore correct.

Amendment put and negatived.

Clause put and passed.

Title put and passed.

Bill reported without amendment, and the report adopted.

Third Reading

Bill read a third time and passed.

ADJOURNMENT—SPECIAL

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

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

Question put and passed.

House adjourned at 3.20 a.m. (Wednesday)