Legislative Assembly

Tuesday, 27th November, 1956.

CONTENTS.

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

SWEARING-IN OF MEMBER.

The SPEAKER: I am prepared to swear in the member for Merredin-Yilgarn.

Hon. L. F. Kelly took and subscribed the oath and signed the roll.

QUESTIONS.

HOSPITALS.

Financial Experience, 1955 and 1956.

Mr. CORNELL asked the Minister for Health:

(1) What was the financial experience of the following hospitals:—

Royal Perth;
Fremantle;
Princess Margaret;
King Edward Memorial;

for each of the following periods:—

Year ended the 30th June, 1955;
year ended the 30th June, 1956?

(2) What was the cost per patient per day of conducting these four hospitals for each of the above two years?

The MINISTER replied:

(1)

Royal Perth Hospital.

	£
Year ended the 30th June, 1955:	
Total income, including State Government subsidy of £688,164	1,105,689
Total expenditure	1,108,790
Year ended the 30th June, 1956:	
Total income, including State Government subsidy of £865,327	1,291,536
Total expenditure	1,297,634

Fremantle Hospital.

	£
Year ended the 30th June, 1955:	
Total income, including State Government subsidy of £150,576	266,190
Total expenditure	269,122
Year ended the 30th June, 1956:	
Total income, including State Government subsidy of £177,461	298,341
Total expenditure	303,055

Princess Margaret Hospital.

	£
Year ended the 30th June, 1955:	
Total income, including State Government subsidy of £187,212	305,554
Total expenditure	306,617
Year ended the 30th June, 1956:	
Total income, including State Government subsidy of £218,160	336,743
Total expenditure	349,996

King Edward Memorial Hospital.

	£
Year ended the 30th June, 1955:	
Total income, including State Government subsidy of £142,871	213,667
Total expenditure	213,667
Year ended the 30th June, 1956:	
Total income, including State Government subsidy of £185,880	260,813
Total expenditure	260,813

(2)

	1954-55 £	s.	d.	1955-56 £	s.	d.
Royal Perth	106	2	9	125	0	8
Fremantle	92	0	5	97	7	6
Princess Margaret	102	1	8	118	6	3
King Edward Memorial	94	11	3	117	0	2

PUBLIC SERVICE.

Number of Employees.

Mr. CORNELL asked the Premier:

What was the number of employees, showing separately permanent and temporary staff, under the control of the Public Service Commissioner on the following dates:—

The 30th June, 1953;
the 30th June, 1954;
the 30th June, 1955;
the 30th June, 1956?

The PREMIER replied:

	Permanent.	Temporary.	Total.
June 30, 1953	2,689	1,206	3,895
June 30, 1954	2,867	1,096	3,963
June 30, 1955	2,964	1,175	4,139
June 30, 1956	3,020	1,323	4,343

GOVERNMENT DEPARTMENTS.

Number of Employees.

Mr. CORNELL asked the Premier:

What was the total number employed by each of the following departments, namely—

(1) Education Department;
(2) Public Works Department;
(3) Railway Department;
(4) other departments not subject to the Public Service Commission

on each of the undermentioned dates:—

The 30th June, 1953;
the 30th June, 1954;
the 30th June, 1955;
the 30th June, 1956?

The PREMIER replied:

	30-6-53.	30-6-54.	30-6-55.	30-6-56.
1. Education Dept.	4,555	4,748	5,088	5,439
2. Public Works Dept.	4,135	4,662	5,292	5,129
3. Railway Dept.	13,030	13,251	13,667	13,974
4. Other Departments—				
(i) Main Roads	1,469	1,359	1,632	1,939
(ii) Tramways and Ferries	957	898	909	931

In regard to No. (4) there are a large number of salaried and wages employees employed in Government instrumentalities that are not departments—such as the Fremantle Harbour Trust and the State Electricity Commission.

In addition, there are a number of departments under the Public Service Act that employ salaried and wages staff that are not subject to the Public Service Act and the numbers employed by these departments are not included in the above figures.

ARBITRATION.

Awards and Disputes.

Mr. ACKLAND asked the Minister for Labour:

(1) How many consent awards have been approved during the years 1950-55?

(2) During the same period, how many contested awards and disputes were heard by the Arbitration Court and by the Conciliation Commissioner?

(3) Of the disputes mentioned in No. (2), in how many cases did one or the other party refuse to accept the judgment of the court or commissioner when first given, i.e., without further action having been taken?

The MINISTER replied:

(1)

Year.	Consent Awards.	Consent Amendments.	Total.
1950	40	34	74
1951	44	37	81
1952	27	25	52
1953	20	19	39
1954	11	10	21
1955	29	133	162
Total	....	....	429

(2)

	Contested Awards.		Contested Amendments.		
Year.	Court.	Conciliation. Commissioner.	Court.	Conciliation. Commissioner.	Total.
1950	2	5	2	4	13
1951	3	4	2	1	10
1952	....	1	8	10	19
1953	4	4	1	2	11
1954	5	2	55	4	66
1955	4	4	36	4	48
Total	....	....	....	....	167

(3) During the period 1950-55 appeals were lodged in three instances against awards issued by the Conciliation Commissioner.

SUPERPHOSPHATE.

Present Haulage and Future Proposals.

Mr. NALDER asked the Minister for Transport:

(1) How many tons of superphosphate have been hauled from Katanning to various sidings on the Pingrup line for the years ended the 30th June, 1950, 1951, 1952, 1953, 1954, 1955 and 1956?

(2) How much of this superphosphate was railed from the metropolitan area for the years above mentioned?

(3) How much was railed from Albany for the years above mentioned?

(4) How much was railed from Picton Junction for the years above mentioned?

(5) If the proposal to close the Pingrup line is effected—

(a) will superphosphate be transported by road direct from works;

(b) will superphosphate be railed to Katanning and transported by road to existing sidings;

(c) will road transport deliver direct to farms?

The MINISTER replied:

(1).

Year ended the 30th June	Tons.
1950	3,856
1951	2,148
1952	4,618
1953	5,354
1954	7,181
1955	6,514
1956	7,371

(2), (3) and (4) Since superphosphate has been manufactured at Albany the whole of the 1955-56 consignments has been railed from that works.

Details for previous years are not segregated and would entail lengthy research to obtain.

(5) (a) No.

(b) Yes, or to individual farms, if desired by consigner.

(c) Answered by (b).

ELECTRICITY SUPPLIES.

Charges to Country Consumers.

Mr. MARSHALL asked the Minister for Works:

In view of the letter and leading article published in "The West Australian" of the 21st and 22nd November relating to charges for service by the State Electricity Commission at Albany—

(1) Has this charge always been made to country consumers?

(2) As the metropolitan area has men stationed at Fremantle and Perth on a seven-day shift work basis, who are not subject to the provisions of the award as mentioned, is it the intention of the commission to charge metropolitan consumers for this service also?

(3) If so, who is responsible for implementing this charge?

The MINISTER replied:

(1) Yes.

(2) No.

(3) See answer to No. (2).

NARROWS BRIDGE.

Level of Filling on Northern Approaches.

Mr. COURT asked the Minister for Works:

(1) Is the present highest level of the filling achieved on the northern approaches to the proposed Narrows bridge the approximate height to which such filling will go?

(2) Will this raised filling remain after the bridge is constructed?

The MINISTER replied:

(1) The filling of the northern approach to the Narrows bridge is being placed approximately to the designed grade levels. The highest point will be approximately 100ft. further south and at a level approximately 4ft. higher than at present.

(2) Yes.

CLASS "A" RESERVE, BRIDGETOWN.

Responsibility for Control.

Mr. HEARMAN asked the Minister for Lands:

(1) Is he aware that the Class "A" reserve situated at the road junction between the road to Hester Siding and the South-West Highway, a couple of miles north of Bridgetown, is being used as a rubbish dump?

(2) Who is responsible for this reserve?

(3) Is he aware that a portion of this reserve has been cleaned up and fenced off by a local farmer, with the concurrence of the local authority?

(4) Is he aware that this farmer has been instructed to remove his fence at once?

(5) For what purpose was this reserve set aside?

(6) Will consideration be given to either—

(a) permitting the farmer concerned to have the existing portion of this reserve that he has fenced off on a yearly lease; or

(b) renting him the whole of this reserve on a yearly basis on condition that he fences and clears and generally cleans up this area?

(7) Will the necessary steps be taken to control vermin and to prevent the further dumping of rubbish on this reserve?

The MINISTER FOR EDUCATION (for the Minister for Lands) replied:

(1) I am not aware of Class "A" reserve No. 20938 being used as a rubbish dump.

(2) The Department of Lands and Surveys.

(3) It has been reported that an adjoining owner has fenced off a portion of the reserve, but no authority for this action has been issued by the department either to the landowner concerned or to the local authority.

(4) Yes. The person concerned has been requested to move his fence to the correct surveyed boundary within six months from the 25th September, 1956.

(5) A stopping place for travellers and stock.

(6) (a) and (b) No. The Government is not prepared to condone illegal trespass of this reserve or to grant any person the exclusive use of the land.

(7) Regular inspections of the reserve will be carried out by the lands inspector at Bridgetown.

WATER SUPPLIES.

Amount Allowed for Sewerage in Metropolitan Area.

Mr. MAY asked the Minister for Water Supplies:

What is the amount of water allowed in the metropolitan area for sewerage and septic tank purposes?

The MINISTER replied:

The amount allowed is 5,000 gallons per annum on account of each water closet or septic tank of which the cistern is connected to the departmental supply.

NEWSPAPER ADVERTISING.

Curbing Objectionable Features.

Mr. EVANS asked the Premier:

Has the Government considered any legislative action to curb objectionable advertising in newspapers, such as women's underclothing?

The PREMIER replied:

No consideration has yet been given to this crude type of advertising.

EDUCATION.

(a) Roleystone School Lighting Installation.

Mr. WILD asked the Minister for Education:

In view of the undertaking given by the Premier, and announced by the Acting-Director of Education at the opening of the school at Roleystone three weeks ago, that the money necessary for the installation of electric light at the school would be provided, will he indicate when such installation is to be made?

The MINISTER replied:

The Public Works Department advises that the work of installing electric light in the Roleystone school will commence within the next two weeks.

(b) Canning Vale School Additions.

Mr. WILD asked the Minister for Education:

(1) In view of the departmental Estimates having been introduced, can he now indicate when work may be expected to commence on the additions to the Canning Vale school?

(2) If not, why not?

The MINISTER replied:

It is expected that tenders will be called early in the new year.

COAL.

(a) Signing of New Agreement.

Mr. WILD asked the Premier:

In view of his answers on three occasions during the present session with reference to the new coal agreement, that it was expected that finality would be reached in two to three weeks' time, will he now indicate to the House—

(1) On what date the agreement was signed;

(2) has the pernicious cost-plus system to which he so frequently refers, been abandoned?

The PREMIER replied:

This matter is now at the final stages of negotiation.

(b) Imports of Newcastle Coal.

Mr. COURT (without notice) asked the Minister representing the Minister for Railways:

(1) Is he correctly reported in "The West Australian" of the 26th November as saying that "he was amazed to learn a few days ago that there had been a big increase in the amount of Newcastle coal brought into Western Australia this summer?"

(2) If so,

(a) Was the increased amount of Newcastle coal brought into Western Australia as a matter of Government or departmental policy?

(b) If it was not as a result of Government or departmental policy, how did the big increase take place?

(3) What has been the effect on the demand for Collie coal as a result of the increased importation from Newcastle?

The MINISTER FOR TRANSPORT replied:

(1) The Minister was amazed to learn that quantities of Newcastle coal had not been reduced following greater use of diesel locomotives.

(2) (a) and (b) The use of Newcastle coal was extended by the commission following ministerial direction in November, 1954, that special efforts be made to reduce or completely eliminate the setting of fires by locomotives.

(3) Use of Newcastle coal in existing quantities reduces Collie coal requirements by approximately 25 per cent. at present, but the quantity of Newcastle coal used represents only about 1½ per cent. of the total annual consumption.

TRAFFIC.

(a) Parking Arrangements, Perth.

Mr. COURT (without notice) asked the Minister for Transport:

(1) Is he satisfied with the operation of the revised City of Perth traffic arrangements yesterday and today?

(2) Are any amendments and reallocations of commercial and other spaces proposed in the light of yesterday's and today's experience?

The MINISTER replied:

(1) It is as yet a little too early to form any definite or final conclusions.

(2) The matter is under review, but my conclusions are that ample space is available for commercial operations, although at times one might draw a conclusion to the contrary. It appears there is necessity for a more even spread of delivery operations during the day, and further than that I would say it should not be the objective of any traffic authority to provide full or more than sufficient kerbside space for loading and unloading of goods, but rather to cause some little inconvenience in the hope of encouraging business firms generally to provide facilities by way of access-ways so that these operations can proceed during normal business hours without proving to be a hazard or obstruction to the normal flow of traffic.

(b) Commercial Vehicles in Private Car Stalls.

Mr. CROMMELIN (without notice) asked the Minister for Transport:

Will he inform the House whether it is correct that commercial vehicles under the new parking regulations can park on private vehicles' stalls in the city block?

The MINISTER replied:

Yes, they may do so, because there is no differentiation in the matter of stalls set aside for the parking of vehicles. The operation of loading and unloading goods is to take place only from the commercial stalls. Conversely, the commercial vehicle stalls are not merely to be used for the purpose of allowing commercial vehicles to park there; they are set aside to enable those in charge of such vehicles to carry on their work in loading and unloading.

WORKERS' COMPENSATION BOARD.

Judgment in Patten versus British Phosphate Commission.

Mr. COURT (without notice) asked the Minister for Labour:

(1) Will he lay on the Table of the House a copy of the written judgment given by the Workers' Compensation Board in the Patten versus British Phosphate Commissioners' case?

(2) Is it correct that the British Phosphate Commission is a Crown instrumentality comprising a combination of British, Australian and New Zealand Governments' interests.

The MINISTER replied:

I have not had an opportunity of obtaining the information, but I would say offhand that the British, Australian and New Zealand Governments have an interest in the British Phosphate Commission. The administration is controlled by the commission in Melbourne. With regard to the laying of the written judgment on the Table of the House, I shall have the necessary inquiries made. If there is any objection to this course being taken, I will make arrangements for the hon. member to peruse a copy of that judgment in the office of the Workers' Compensation Board.

ADDITIONAL SITTING DAY.

The PREMIER: I move—

> That, until otherwise ordered, the House, in addition to the days already provided, shall sit on Fridays at 2.15 p.m.

Recently I advised the House that it was the desire of the Government to try to conclude the session not later than the 19th December next. This motion is moved in the direction of giving an extra day in each of the remaining weeks for the consideration of the business before the House. Providing the House sits late each night, it may not be necessary to sit after tea on Fridays. That, of course, would depend on circumstances and the rate of progress made during the earlier days of each week.

Hon. Sir ROSS McLARTY: As the Premier said, he warned members that Friday sittings would eventuate. I do not think we can take any objection to such sittings, but I would ask the Premier whether he would arrange that we shall not sit after tea on Fridays. We are approaching the Christmas season, when members are invited to many functions in their electorates, and quite a number have already accepted invitations. It will be unfortunate if they are debarred from attending.

I hope the time is not far distant when we shall get away from what I would term this Cristmas rush. I do not see why Parliament could not meet a month earlier. We could not expect to have the Budget and a few other items presented, but we could get the Address-in-reply over and introduce some legislation. However, over many years, all Governments have fallen into this procedure of meeting about the end of July and continuing in session until close to Christmas. I would like to see us get away from that practice.

When we come to the third motion that the Premier proposes to move, I will have more to say on this matter, but at this stage I would say that I hope we will not be kept here till all hours in the morning. That is not conducive to sound legislation, and I do not think it is in the best interests of the country.

I would suggest to the Premier that he have a look at the notice paper, and perhaps he will find that some of the items that are on it can be taken off to enable us to finish the session without any great hurry and without very long and trying hours of sitting. I conclude by again expressing the hope that the Premier will endeavour not to sit after tea on Friday nights in view of the fact that members have made commitments and should if possible, be allowed to carry them out.

Mr. BOVELL: I have spoken on this matter over a number of years. As a member representing a country constituency, I would point out that Christmas is a time when we all look forward to joining our constituents and celebrating one of the greatest festivals of the year; and it is rather alarming to me to learn that the Premier is going to have Parliament in session up to the 19th December.

An effort should be made in future years to terminate the session in the first week of December at the latest. I would ask the Premier to give serious consideration to commencing the session earlier, if necessary, and try to regulate his legislative programme so that country members especially can journey to their electorates and not be tired and weary at a time when their constituents are enjoying the great festival of Christmas.

Question put and passed.

GOVERNMENT BUSINESS, PRECEDENCE.

The PREMIER: I move—

> That on and after Wednesday the 28th November, Government business shall take precedence of all motions and Orders of the Day on Wednesday as on all other days.

This is the usual motion submitted towards the end of the session. I would like to give an undertaking to private members who have business on the notice paper that an opportunity will be given for a vote to be taken on each item of private business before the session closes.

Hon. Sir ROSS McLARTY: There cannot be any objection to the motion which is the one usually brought down at this stage of the session. In fact, I think perhaps the Premier has left it a little later than usual. I notice that he said he would give a guarantee that all matters on the notice paper at present will be dealt with. Members should realise that if Parliament is going to close on the day suggested by the Premier, they cannot expect to go on introducing fresh topics at this stage. Unless it were a matter of particular urgency, the Premier would be justified in telling any member who gave notice of his intention to introduce a Bill that he would give no guarantee that it would be dealt with this session.

Question put and passed.

STANDING ORDERS SUSPENSION.

Closing Days of Session.

The PREMIER: I move—

> That until otherwise ordered, the Standing Orders be suspended so far as to enable Bills to be introduced without notice and to be passed through all their remaining stages on the same day, all messages from the Legislative Council to be taken into consideration on the same day they are received, and to enable resolutions from the Committees of Supply and of Ways and Means to be reported and adopted on the same day on which they shall have passed those committees.

This motion is brought down to enable the speeding up of the formal processes which apply normally in regard to the introduction of Bills and their subsequent treatment. I give the House an assurance in regard to this motion that the Government does not desire to use it for the purpose of stifling debate or rushing Bills through their various stages without giving members a reasonable opportunity of studying them and being in a position to understand what they contain.

It will be realised by all members that the carrying of this motion will speed up processes without denying to any member a reasonable opportunity of understanding what is in a particular Bill. For instance, there are two or three Committee reports on the notice paper this afternoon. The passing of this motion will allow those reports to be adopted today, and also the third readings to be taken. Clearly that will represent a saving in time and will enable those Bills to go to the Legislative Council a day sooner than would otherwise be the case.

So I hope and trust that all members will be prepared to accept the motion, and I again express the assurance I gave earlier —that this motion will not be used by the Government for the purpose of so speeding up the various stages in connection with Bills as to deny members a reasonable opportunity to study what is in a particular measure.

Hon. Sir ROSS McLARTY: This, too, is the usual motion brought down about this time of the session. However, I am somewhat alarmed at the state of the notice paper today. There are 41 items on it; and even admitting that the first six are but formal, notice has been given of four

or five new Bills, which would still bring the total number of items to at least 40. Amongst them are some very important Bills.

An example is the land and income tax assessment measure, which is bound to create a great deal of discussion. We have not touched the Estimates, except for their introduction by the Treasurer and there is also the railway discontinuance measure of which notice was given today by the Minister for Transport. In addition, there are a number of other important Bills to be dealt with.

I would like to know whether the Premier intends to bring down further legislation and, if so, what is the nature of it. I appreciate the difficulties of the Government in this regard because when I was in office I felt exasperated at times when Ministers would bring to Cabinet, in the last week or two of the session, Bills which they said were urgent and would have to be introduced. I tried, on a number of occasions, to set a deadline as the last date upon which Cabinet would consider legislation for introduction during the session, and I daresay the Premier has had the same experience as I had in that regard.

We have about 16 sitting days remaining this session and no doubt the Premier will have requests from some of his Ministers for the introduction of further legislation. I think that at this stage he will find it difficult to have further legislation fully considered by Parliament if the session is to end on the day suggested. The Premier also said we will be given reasonable time in regard to adjournments when new legislation is introduced. Of course, when the session is close to its end there may be differences of opinion as to what is a reasonable time.

The Premier: We will try to meet Opposition members and Government members on that point, wherever possible.

Hon. Sir ROSS McLARTY: I would prefer an assurance from the Premier that we will not have further legislation introduced and, if it is to be introduced, I hope it will be of a very limited nature because I do not think there is any justification for the introduction of new matter at this stage of the session. I am afraid that this session is going to end in a great rush and that members will be kept here for very long hours and that little consideration will be given to items such as the Estimates which are of interest to every member of this House.

Many hours could profitably be spent on the Estimates in order that members might ascertain all they wish to know in regard to the State's finances, what is happening in different parts of the State, the public works programme which is so vital to all of us, railway rehabilitation and the dozens of other matters—scores of other matters indeed, if not hundreds, which are discussed when we are dealing with the Estimates. I do not see much chance now of any full discussion on the Estimates, either Revenue or Loan.

I suppose the Premier could say that the Loan Estimates have been fairly fully explained by him and that nothing members might say in that regard would make any difference because the money has already been allotted, but, even so, members like to put forward suggestions and obtain further information.

Whilst agreeing with the motion, I can only say I regret that there is to be this rush which is not good for members, for the State or for the legislative programme generally. I suggest to the Premier that at his Cabinet meeting on Monday next, he should further examine this notice paper in order to see whether he can lessen it to some considerable extent. I do not think that the Local Government Bill, for instance, will be proceeded with. We have only reached Clause 172 and yet that measure is No. 10 on the notice paper.

There is also the abattoirs measure, which was introduced so long ago that members will probably have to refresh their minds as to what it is all about. I do not know whether the Government intends to proceed with that Bill, but I think there would be room to wipe out a number of the items now on the notice paper so that members might have opportunity more intelligently to discuss those items that would then remain. I support the motion.

The PREMIER (in reply): I agree with most of what the Leader of the Opposition said in relation to this motion. It does not seem possible, under our parliamentary procedures, to obviate the end of session rush. The Commonwealth Parliament operates on an entirely different system from that obtaining here and I understand that when the Commonwealth Government fixes an opening date for a session, it also fixes the closing date and that is achieved by a very vigorous application of the guillotine or gag, with the result that discussion in both Houses of that Parliament is restricted with extreme severity on many occasions.

We would all like, I am sure, to hold fast to the traditional procedures of this House and not make any attempt to adopt those procedures which are used consistently in the Commonwealth Parliament by all Governments at Canberra. Most of the important items on our notice paper at present have been there for periods varying from four or five days to four or five weeks, and therefore members have had a fair opportunity of becoming conversant with the contents of those Bills. I can inform the Leader of the Opposition that some of the items at present on the notice paper will either be discharged or will fade out without further debate at the end of the session.

I sympathise with the Leader of the Opposition in his attempts to set a deadline beyond which Ministers could not bring further legislation to Cabinet for introduction to Parliament. Every Government with which I have been associated has tried hard to set such a deadline but success has never been achieved. That system has worked with varying degrees of success, but there always seem to be new matters cropping up with the result that any Government is called upon, long after the deadline set, to consider the various propositions.

Some of the proposals brought along well beyond the deadline date are important and urgent with the result that Governments are placed in the position of having to accept legislation after the deadline has been passed and that, of course, adds to the pressure which develops in Parliament towards the end of the session. Even if we started a session a month earlier than usual, I believe we would still experience the end of session rush and pressure, and that is understandable to some extent as there are 49 members in this House with absolute freedom to talk on every subject that comes forward. They have the right to talk goodness knows how many times on all Bills; on the second reading, on the third reading and on each clause during the Committee stage.

Hon. J. B. Sleeman: They are limited now.

The PREMIER: The limits are not very strict. We have also the Address-in-reply debate and the Budget debates in connection with Consolidated Revenue and then the debate on the Loan Estimates, and all the rest of it. In all the circumstances, I do not think we should be surprised that there is an end of session rush. Perhaps we should be relieved that that rush and pressure are not greater than we have experienced in the past or greater than we hope they will be on this occasion.

I repeat that Ministers will try to give those who secure the adjournment of the debate on any new measure as much time as possible in which to become familiar with the subject matter, and that, of course, applies to all members of this House. There are still some new measures to be introduced, but I do not think any of them will be large or very controversial. I do not think any of those measures will be technically difficult and I think members will be able to understand them quickly. I cannot really appeal to members to restrain themselves in terms of talk on every subject yet to be dealt with before the end of the session, but as my own contribution in that regard, I will now conclude.

Question put and passed.

BILL—LAND ACT AMENDMENT (No. 1).

Returned from the Council with amendments.

BILL—CRIMINAL CODE AMENDMENT (No. 2).

Read a third time and transmitted to the Council.

BILL—FACTORIES AND SHOPS ACT AMENDMENT (No.2).

Third Reading—Defeated.

MR. ROSS HUTCHINSON (Cottesloe) [5.12]: I move—

That the Bill be now read a third time.

THE MINISTER FOR LABOUR (Hon. W. Hegney—Mt. Hawthorn) [5.13]: I intend to oppose the third reading of this measure and I want to emphasise the fact that if passed, it would do a distinct disservice to a number of small shopkeepers in the suburbs. The measure has reference to certain Fourth Schedule shops and I want it understood that if the Bill is passed, those establishments, such as fruit, vegetable and milk shops, will be able to sell the items enumerated in the Eighth Schedule until 11 p.m. every night.

Members who travel the suburbs know that there are a number of small mixed businesses, as they are generally known, or exempted shops. Those exempted shops will not receive the benefit of this legislation. The mixed businesses stock groceries and they also stock Fourth Schedule items such as milk, butter, cool drinks and a number of others, as members know. After the prescribed hours for the closing of grocery shops, the occupiers of mixed businesses must segregate their groceries from the Fourth Schedule items, even though they are all under the one roof.

I am advised, and I do not think I can be successfully contradicted, that the mixed business will be required to close as hitherto so that there will be this position: In the suburbs there will be the small mixed businesses that will not be able to trade in the items mentioned in the Bill after 6 o'clock, or 5.30 at night, and yet the small Fourth Schedule shops, right alongside the mixed businesses, will be able to stock these groceries and sell them until 11 o'clock every night in the week, and almost 12 o'clock on Saturdays.

Mr. Ross Hutchinson: What groceries?

The MINISTER FOR LABOUR: I am glad of that interjection because I wish to make it quite clear that the mixed business is a mixture of a grocery shop and a Fourth Schedule shop. I know numbers of them, and probably other members do, too. These shopkeepers conduct a Fourth Schedule shop under the same roof and in the same room as the grocery section; but

they are not Fourth Schedule shops as such, because they come under Section 112 and the member for Cottesloe proposes to add another section, 112A.

So I invite him to prove successfully, if he can, that those exempted shops will be able to sell, after ordinary trading hours, the items enumerated in this Eighth Schedule. They will not be able to do so, and consequently the small mixed-business owner will have the sale of these items restricted to 5.30 or 6 p.m. and the Fourth Schedule shop, right alongside him, will be able to trade in those items until 11 o'clock every night. I know that some members will disagree with me, but I believe that this is the thin end of the wedge.

I am not saying that the member for Cottesloe is deliberately introducing this Bill with that object in view; but I repeat, in my opinion it is the thin end of the wedge to make shopping hours unlimited. I will not weary members by reading the items listed in the Fourth Schedule, which may be sold up to 11 o'clock at night, but the hon. member proposes to add further items to that list and I suggest that it will be only another step further to have all mixed businesses and Fourth Schedule shops trading until 11 o'clock at night, if they so desire.

I also believe that if this Bill becomes law, we will have representations—every member, particularly those representing the metropolitan area—for the purpose of extending the provisions of this measure to mixed businesses. If that is done, one can see at a glance that the way is open for almost unrestricted trading hours. I know that some people may ridicule the idea, but nevertheless it is my belief, as I said during the second reading, that that will have a direct effect on trade union conditions.

In the metropolitan area we have an award operating between the Shop Assistants' Union and the retail traders. Retail traders, whether they be operating small or large businesses, when employing labour are entitled and, indeed, are obliged, to observe the standard hours, the standard rates of pay, holiday pay, sick pay, annual leave, overtime rates, etc. of ordinary industrial awards. I repeat, if this Bill passes, it is a step in the direction of breaking down industrial conditions. If it is agreed to, owners of mixed businesses will make approaches to members, and we will not be able logically to—

Mr. Ross Hutchinson: Are you dividing on this?

The MINISTER FOR LABOUR: That remains to be seen; I am prepared to call for a division on it. If the Bill passes, exempted shops or mixed businesses will be asking Parliament to extend to them the same rights and the same priviliges as will be given to Fourth Schedule shops; and we will not be able successfully to withstand that request.

Mr. Court: In what way do you think this will break down industrial conditions?

The MINISTER FOR LABOUR: I have tried to explain that, and I hope I do not bore members if I have to explain it again. The Fourth Schedule shops are small shops such as milk, fruit and vegetable shops. Members will have seen them in every suburb in the metropolitan area. They will also have seen the mixed businesses which trade in general grocery lines and which also stock items sold by the Fourth Schedule shops. Those items are in a separate part of the same shop and after the hours prescribed under the shop assistants' award, or the Factories and Shops Act, a partition with a locked door must be put up between the groceries and the Fourth Schedule items. Under this Bill, the owner of a mixed business will not be able to transfer the groceries mentioned in this Bill into the Fourth Schedule section of his shop, but the man who runs a Fourth Schedule shop next door to him may do so.

Mr. Court: I cannot see what that has to do with industrial conditions.

The MINISTER FOR LABOUR: It will be an injustice to a number of owners of mixed businesses. If the Bill is passed it will be the thin end of the wedge towards extending the hours of trading for certain commodities and those who are obliged to employ labour, pay award rates and comply with award conditions will to a great extent be disadvantaged.

I say again, if this Bill is passed the owners of mixed businesses will ask, and we will not be able successfully or logically to refuse them, to have the same privileges extended to them. If that is done, there will be unlimited trading in a number of commodities until 11 o'clock every night. That must have an effect on retail traders who are obliged to employ labour and pay award rates. It will affect the ordinary grocer—the little corner grocery store—and under this Bill those people will not receive any benefit at all. The only people who will benefit by it will be the Fourth Schedule shops.

Mr. Ross Hutchinson: May I interrupt you for a moment? I think you might have been right if I had included in the list packaged foods, bottled foods and canned foods.

The MINISTER FOR LABOUR: I have discussed this matter with the Shop Assistants' Union—I make no bones about that—and the management committee of that union is very perturbed about it. I do not know whether the member for Cottesloe discussed the matter with the Shop Assistants' Union, the Retail Traders' Association or the Retail Grocers' Association; but I know that some of the retail grocers do not understand the purport of the measure, otherwise there would probably be some solid objections from them.

Without any further remarks, I intend to oppose the third reading and I hope it will be defeated.

HON. L. THORN (Toodyay) [5.24]: I am amazed to hear the weak case put up by the Minister.

Hon. J. B. Sleeman: You are easily amazed!

Hon. L. THORN: No, I am not. There is no doubt that the cane has been used at the party meeting and those members on the other side who supported this Bill have been called to order. There is no doubt about that; otherwise the Minister would not have got up and opposed the measure with so much gusto. He has expressed concern regarding the small shopkeeper; yet it is only a few weeks ago that he introduced a Bill, the purpose of which was to close a lot of them down. So I do not see how on this occasion he can express such concern regarding these small shopkeepers and yet, on the other hand, introduce legislation such as he did on that occasion.

The Minister mentioned Fourth Schedule shopkeepers and he went on to tell us that those small grocers had, on one side of the shop, groceries and on the other side they had milk, butter, etc. They are still Fourth Schedule shops and they can trade in Fourth Schedule items—all perishable goods. The Minister said that for those people to be able to trade they would have to take their groceries and put them over on one side of the shop and fence them in. Is not that the law now?

The Minister for Labour: I did not say that at all.

Hon. L. THORN: Of course, the Minister did. He said that these grocers would have to separate their groceries from their Fourth Schedule items.

The Minister for Labour: They do now.

Hon. L. THORN: Of course they do; that is the position today. This Bill, introduced by the member for Cottesloe, is a sensible and reasonable measure which has passed through the second reading and the Committee stages. As far as I can see, the whole idea today is to restrict the liberties of the people and to prevent them from making purchases of the necessities of life. How the Minister can stand up here and talk about industrial conditions and the concern of the Shop Assistants' Union, I do not know. I do not think there are many more concerned now than were previously. But the Minister wanted to restrict the small shopkeepers from selling their goods after certain hours; by his Bill he wanted to close them down at 5.30 p.m. They were far more concerned about that than they are about this legislation.

The only conclusion I can draw is that the Bill is quite justified and that it should be carried by this House. I hope that members on that side of the House who saw the light of day and saw the merits of the measure, will not turn a complete somersault and now vote against the third reading. It is a private member's Bill and if those who supported it previously now vote against it, we can only come to the conclusion that the whip has been waved.

Mr. Bovell: Cracked!

Hon. L. THORN: I believe it has been; otherwise the Minister would not have spoken like he did on the third reading.

Mr. Heal: You might be surprised when the vote is taken.

Hon. L. THORN: I will express my views. Does that satisfy the hon. member? I hope that members of this Chamber will stick to their guns and agree to the third reading.

MR. BOVELL (Vasse) [5.27]: I did not speak to the second reading of this Bill because I considered that as the facts had been so clearly stated, it would have been only unnecessary repetition. The Minister surprised me today by rising to speak at the third reading stage and saying that he is going to oppose the measure. Furthermore, in reply to an interjection by the member for Cottesloe, the Minister said that he would call for a division if necessary. The speech made by the Minister can only be described as one delivered by a person having a very fertile imagination; as a matter of fact, I think he let his imagination run completely away with him.

The purpose of this Bill is to enable the poor, long-suffering public, who are perhaps away from home, some facility to purchase commodities which they may need in an emergency. They may have been travelling for long hours and may have become ill during that time. Certain registered medical lines are available at these small shops—I refer to powders, tablets and the like. These small shopkeepers are permitted to sell these items for the relief of pain—they are not restricted under the Pharmacy and Poisons Act. That is one facility which this Bill, introduced by a private member, the member for Cottesloe, will provide the public with.

During his speech the Minister said that the Shop Assistants' Union is opposed to the Bill because it might mean an extension of the services to other shops and could create conditions which may be disadvantageous to members of that union. In this country I think we are fast reaching the stage of considering the minority rather than the great majority of the people. The majority of the people are those who patronise the businesses, and we must not forget that the original purpose of anyone entering a business is to provide facilities for the convenience of the people as a whole. This Bill does not provide any revolutionary change, and I cannot agree

with the Minister that if it is passed it will cause agitation from other sections of the community engaging in business to extend their facilities to the disadvantage of the members of the Shop Assistants' Union.

If the House passes the third reading of this Bill, as it did the second reading, I feel certain it will be doing a great service to the community. I speak as one who represents a coastal area which is densely populated at very short intervals during the holidays. I would point out that from Busselton to Vasse, from Siesta Park to Dunsborough, Yallingup, Margaret River and Meelup; and again further south to Hamelin Bay, Cosy Corner, Flinders Bay and Augusta, the people are in need of some additional facility, especially during the holiday season.

From this time of the year until after the Easter vacation, many thousands of people go not only into that area but other areas of a similar nature. I see the Minister for Health looking up and I am certain that the same must apply to his holiday resort of Esperance. Any member of Parliament who represents a constituency that provides holiday facilities for people, must seek to encourage tourist trade in that area by providing additional facilities.

The schedule in the measure enabling additional commodities to be provided after hours is not very extensive. It is confined to essential commodities and accordingly I wish to support the third reading, and to ask the Minister to revise his outlook on the measure. The Minister should accept the matter with a good grace. We have passed the second reading, and the Bill has passed through the Committee stages with certain amendments; yet now on a formal motion for the third reading, the Minister states that he is going to oppose the measure and, indeed, in answer to an interjection by the member for Cottesloe, indicated that he would do so by calling for a division if necessary.

From that it would seem clear, as the member for Toodyay pointed out, that the whip has been cracked; and I have some knowledge of this because I was a whip for seven years. Some of the supporters of the Government, in their wisdom, decided to support the second reading, and also to support certain amendments in the Committee stage. This is not a party measure; in my opinion, it has nothing to do with party platforms, and I hope that those members opposite who supported the second reading will be permitted to vote as freely as they wish, and in accordance with the dictates of their conscience, as they did at the second reading and Committee stages of the Bill.

Without meaning to indulge in undue repetition, I would like to repeat that this Bill is in the best interests of the people of this State; especially those who travel far distances from their homes to enjoy the climate and conditions provided by our coastal areas. Owing to the great increase in the cost of hotel and boarding-house accommodation, families are arriving at coastal areas and establishing themselves on camping sites, or in tents or in other accommodation which might be provided for them. Some of them may even hire caravans and, as members know, holiday huts and homes are becoming universal.

It is not possible for the hotels to provide the accommodation for the numbers of people who attend these holiday resorts, so they seek alternative accommodation. As I have pointed out, people with large families cannot afford to pay the high costs of hotel and boarding-house accommodation, so they make use of the camping facilities provided and oftimes they need essential commodities which they have been unable to secure because of their time of arrival or, due to an oversight. Consequently, they wish to purchase such things as tablets used for the relief of pain, and other items like razor blades, shaving soap, matches and so on. I support the third reading of the Bill.

MR. POTTER (Subiaco) [5.37]: I wish to oppose the third reading of this Bill. In doing so, however, I would not like to give the impression that I do not fully appreciate the difficulties experienced by the small shopkeeper and the owner of a small mixed business. I am in full sympathy with them, and I know that today they are up against it. I feel, however, that this measure is merely tampering with the legislation and a more thorough investigation should be made into the entire ramifications of the Act and its implications to the retail trade so far as trading is concerned.

Entering into competition with the small shopkeepers we find a number of chain stores, cash-and-carry people, and those running open marts. These developments were not visualised some years ago when this legislation was first introduced. As a consequence, I feel that the measure brought down by the member for Cottesloe only tampers with the whole question; and I would repeat here that I have every sympathy for the small shopkeeper and those people who have paid an enormous sum for goodwill.

I live in an electorate that has a number of corner shopkeepers, and for that reason I oppose the third reading of the Bill. I feel we must make a comprehensive study of what is occurring in the whole retail trade, with particular application to the small shopkeeper. It has been said that the items concerned would provide an added service to people on holidays and those visiting beach resorts and the like. If these items were meant for the convenience of the travellers, then I would

suggest that quite a numbe of others should be added to the list. The schedule does not go far enough in that respect.

While this Bill is constructive up to a point, it still does not go far enough in covering the entire ramifications of the retail business and that aspect of it which the small shopkeeper is up against. Likewise, I can see the point of passing the measure from their particular angle, because I feel that some of the other traders will bring pressure to bear on certain individuals to widen the scope of their trading hours. Irrespective of that, however, my feeling in regard to the matter is that the whole question should be gone into as it relates to the modern set-up. Therefore I oppose the third reading.

MR. ROBERTS (Bunbury) [5.40]: Quite frankly, I am amazed that the Minister should see fit to oppose the third reading of this Bill, because it was fully debated during the second reading stage. The Minister's comments in regard to his approach to the unions which resulted in making him of the opinion that this is the thin edge of the wedge to break down the award is, to my mind, so much rot. I cannot see how it would affect the award which provides for 40 hours to be worked in a certain number of days. I am sure that the majority of shopkeepers throughout the State are keen to retain the shop assistants' award because I feel certain that the head office of the Shop Assistants' Union in Perth will have records to show that I fought tooth and nail to prevent the award being white-anted at one period.

Hon. J. B. Sleeman: That was a long time ago.

Mr. ROBERTS: That was about four or five years ago. The two people concerned, namely, Mr. Edwin Davies, the then secretary of the Shop Assistants' Union at Bunbury and Mr. Reg. Burke, the then general secretary of the Shop Assistants' Union, could have vouched for that but they unfortunately are both dead. If we look at this legislation to amend the Factories and Shops Act, we find that the fifth item under the Eighth Schedule deals with prepared foods for invalids and infants.

If members will cast their minds back a few moments they will recall that during my second reading speech on this Bill I mentioned the fact that those goods are today sold each Saturday and Sunday night in chemists' shops up till 8 p.m. I feel that the mothers of young children and those who have invalids on their hands should be given the opportunity to obtain those foods at any time of the day. If members look at the sixth, seventh, eighth and ninth items under the proposed Eighth Schedule, they will find mentioned such lines as tobacco, cigarettes, cigarette papers and matches. Each one of those items is available for purchase in any hotel in this State up till the hour of 9 p.m.

Hon. L. Thorn: That is right.

Mr. ROBERTS: Not only are those items available in hotels, but in any club in Western Australia up till 11 o'clock at night. So I feel the Minister is making a bit of a mountain out of a molehill with respect to these items. In regard to the Minister's mention of mixed businesses, surely they can put up screens, and people can still get these items!

The Minister for Labour: No.

Mr. ROBERTS: We all know these mixed businesses operate as Fourth Schedule shops. There are quite a number of small country stores which operate at night as Fourth Schedule shops and I wholeheartedly support the member for Cottesloe in his endeavours to get this small amending Bill on the statute book of this State.

I feel—I mentioned it in speaking to the Factories and Shops Bill presented by the Minister—that it is time the shopkeeper, whether large or small, gave better service to the community as a whole, particularly in some of our holiday resorts. I am sure that at times members on both sides of the House have set out on their holidays or gone camping and have forgotten some small item, whether it be butter or a tin of jam, and all have made a purchase in some small shop after the normal closing hours. They must admit it, and I admit that nearly every person in this State breaks the law because we have this silly provision in the Factories and Shops Act.

We should be endeavouring to get longer trading hours for the shops although not necessarily longer working hours for the employees. I am against that. However, the shops can, by staggering staff, remain open for longer periods. I mentioned in my second reading speech on the Bill brought down by the Minister, that in some countries shops remain open for 24 hours a day and work on a shift basis. No doubt as time goes on, to alleviate the tremendous traffic congestion which we will have in this State with a bigger population, it will probably be found—after all of us are gone, anyway—that shops will have to remain open and their staffs put on a roster system so far as working conditions are concerned.

The Minister for Native Welfare: Do you think the banks should open at nighttime?

Hon. L. Thorn: If necessary.

Mr. ROBERTS: They open at nighttime in New South Wales, because when I was there in June of this year, as Mr. Speaker will recall, alongside Wynyard station the Commonwealth Bank opened a savings bank there for night service to the general public.

The Minister for Native Welfare: What about insurance offices?

Mr. ROBERTS: When the public demand is there, a service should be given to the community. The same is applicable to railways, trams and—

The SPEAKER: I hope the member will come back to the Bill.

Mr. ROBERTS: The Minister for Native Welfare had led me on, but I support the member for Cottesloe. As I initially stated, I am amazed that the Minister should be so forthright in the third reading debate of a Bill of this nature. As the member for Toodyay said, I feel the whip has been cracked. As to whether this is true or not, we will see later on in this debate. I support the third reading.

The Minister for Transport: You have a dirty mind!

Mr. ROBERTS: What rot!

MR. HEARMAN (Blackwood) [5.50]: I am surprised at the Minister's action. We had a full-scale debate at the second reading stage and I consider that is the normal time when a debate of this nature should take place, and, unless something unusual has subsequently occurred or developed, the generally accepted traditional course is for Parliament to treat the third reading as a mere formality. The Minister has merely reiterated his objections.

Why he should oppose this particular Bill I do not know. It may be that he is disappointed at the way one or two of his supporters divided in the Committee stages and maybe he has disciplined them so they will oppose the third reading, as he said he is prepared to divide the House. Therefore it would appear that action has been taken on the Government side in order to defeat this Bill on the third reading. Why, I do not know.

The only argument of any substance which I can see that has been brought forward by the Minister is that the Shop Assistants' Union does not want this Bill. Do we in this House always have to do what the trade unions ask us to do? After all, it is our job to endeavour to govern, or it should be, and we should not defer to people such as trade unions or other organisations. What would be the position of the Minister if the shop assistants opposed this measure and the retail grocers favoured it?

I think we should make our decisions on the merits of a question and not merely that because somebody says they want it or do not want it, we should not have it. Members of Parliament come to Parliament to think for themselves and exercise their own judgment. They come here to apply their own knowledge; not merely as mouthpieces of any particular organisations to whom they may feel beholden.

It seems to me that no real water has flowed under the bridge since the second reading debate and the decision the House arrived at then. It does not seem right to bring this up again now at the behest of the Shop Assistants' Union. I feel that the member for Subiaco was a little illogical. He opposed the measure and then said the whole question of shop hours should be investigated more fully. He said the lot of the small shopkeeper should be considered.

The Minister knows that these Fourth Schedule shops are almost without exception small shops, and it would be the proprietor of the business himself who would be actually working in the shop during the hours when it is intended to sell the goods mentioned in the eighth schedule of this Bill. I think Parliament should give some consideration to these small shopkeepers. The trend in the grocery business over the last year or two has been towards bigger stores, self-service stores and streamlined trading methods in the bigger shops which have big turnovers and small profits. I have no objection to these people competing along these lines, but I feel these shops do not provide the service that the small family needs and which the corner shop does provide.

There is a grave danger of the small shops going out of business altogether if we do not give them some consideration. After all, the very existence of these corner shops as we know them depends really on the service they can give to the public, and it should be a question of service to the general public which is the determining factor for consideration by members of this House, regardless of what members of trade unions may think. The public is deserving of some consideration, but there appears to be no thought for that section of the community on the part of the Minister as expressed in his contribution to the third reading debate.

The public seem to be completely disregarded by the Minister. Whether he speaks for himself or for the Government I do not know. If he does speak for the Government, it is about time he made it quite clear that that is the Government's view because the small shops do perform a service and I am sure that every member on the Government side of the House—back bench or otherwise—will agree with that assertion. Those shops are passing through hard times, with competition from the big turnover stores which have modern methods of merchandising, supermarts and the like, and they are feeling that competition intensely.

In view of the service these corner shops give and the fact that the supermarts make no attempt to give similar service, we have a duty to the public to see these corner shops remain in business. I believe one way we can do this is to give them a little more consideration under the Factories and Shops Act.

The Minister made certain play on the question that the enacting of this legislation would reduce industrial conditions. That is an old bogey that is always being raised. However, he knows perfectly well that very few members of the Shop Assistants' Union will be likely to be called upon to work the extra hours because the commodities mentioned in the schedule will not be sold in such volume that it will pay a shopkeeper to employ labour at the normal penalty award rates to sell the relatively small amount of goods involved.

Mr. May: You would not have a clue.

Mr. HEARMAN: I would be in company with the member for Collie in not having any clues about the amount of Newcastle coal used.

Mr. May: You would not have a clue about that.

Mr. HEARMAN: I would be in company with the member for Collie. We have had this bogey raised time and time again. I remember some years ago, when debating the hours of service stations, the same thing was put forward then. It was said that the working conditions of employees in service stations would be reduced. Of course, everybody knows what has happened. Very many service stations have been built and everyone knows that there has been no reduction in conditions.

The Minister for Native Welfare: Are they happy about it?

Mr. HEARMAN: I do not know about the employers but the employees are not complaining. That is a parallel case and neither the Minister for Native Welfare or anybody else can demonstrate that the employees in service stations have been in any way inconvenienced or their lot made the least bit harder so far as trading hours are concerned. In fact, the reverse is the case. There are more people employed today in service stations than when that debate took place.

The Minister for Native Welfare: You would not know how many were retrenched?

Mr. HEARMAN: People will from time to time be retrenched in all industries. Surely we have not reached the stage when an employer cannot decide whether he wants to employ men or put them off! I mention service stations to illustrate that the Minister's statement is without substance. If the small corner shops go to the wall—and I think that is the present trend—it could well mean a number of shop assistants will lose their jobs by virtue of the businesses ceasing to function. Any effort that can be made to retain those people in business will, if it is successful, retain the jobs for the shop assistants.

The Minister for Native Welfare: How many shop assistants are employed in this type of job?

Mr. HEARMAN: Some are. Are we getting to the stage where, unless an employer is prepared to employ a shop assistant, he should not be given any consideration by this House?

The Minister for Native Welfare: You are changing your ground now.

Mr. HEARMAN: I am not. The Minister knows perfectly well that some of these shops do employ assistants.

Mr. Bovell: The Minister for Labour raised the point in his argument.

Mr. HEARMAN: The members of the Government know perfectly well that a lot of corner shops have members of the Shop Assistants' Union working for them. If these small shops go out, those shop assistants will lose their jobs. It can be argued, I suppose, that they will then go into the supermarts and be employed there, but that will not happen to any extent because the supermarts can handle the additional business without putting on extra employees.

I feel the argument the Minister has put forward does not stem from the idea of considering the public at all—that appears to be not even worth a mention by the Minister. He has raised the bogey of industrial conditions which, experience has shown, simply does not work out in cases such as this. We have got to the stage where we are trying to control everyone far too much. If a person wants to work longer hours, why should he not? If he wants to employ someone to work additional hours, then there is an Arbitration Court award covering him. What is wrong with that, if he complies with the award? Is there any member sitting opposite who is going to complain about that?

Mr. May: You do not agree with it.

Mr. HEARMAN: I do not say that I do not.

Mr. May: You said you did not agree with restrictions.

Mr. HEARMAN: It enables the small shopkeeper, if he wants to employ a man after hours, to do so, but not to flout the award. An award is the law of the land and has to be complied with. If this were a snide move to get around the law, there might be some substance in the objection that the Minister has raised, but he has to demonstrate that that is the position before he can sustain an argument against the Bill on the ground that it will break down industrial conditions. The result can easily be that more shop assistants will be out of jobs if these corner shops do not remain in business. It could well be that the relief the measure will give to some of the small shopkeepers could easily be the difference between their remaining in business and their going out of business.

The Premier: Does the hon. member think we will get a vote on the Bill by the 19th December?

Mr. May: It does not mean a thing to him.

Mr. HEARMAN: I doubt very much whether it means a thing to the Premier, either.

Mr. Bovell: It is the Minister who has thrown a spanner into the works.

Mr. HEARMAN: The Premier can thank his own Minister for this. Perhaps the Premier can tell us where the Government stands, and whether it will give the general public any consideration in this matter, or whether its sole concern is for the Shop Assistants' Union because that is the one point that the Minister raised in opposing the measure. If the Minister is prepared to say where the Government stands on it, I suggest the Premier could do that, and if he is not prepared to do it, he cannot complain if people suggest that the Government is not concerned with the general public.

I feel that the Minister has not altogether played the game in this matter. We have had the second reading, and nothing new has been introduced. He is just bowing to union pressure; he has demonstrated that he is nothing more than a trade union stooge. The merits of the matter do not concern him. It is what the trade union wants that seems to rule the Minister. Perhaps the Government could have endeavoured to amend the schedule. That might possibly be a legitimate function on the third reading debate, but surely when there was no new matter to bring forward, in common fairness the proper thing was to accept the decision on the second reading.

Then again, the Premier complains about our taking up the time of the House. Had the Minister followed the normal parliamentary practice of being satisfied with the second reading debate, we would not have had this discussion. The third reading would not have taken more than a minute or a minute and a half. Then the Premier quite illogically turns around and suggests that I am delaying the work of the Assembly! What is the Premier suggesting—that merely because the Government changes its mind, the members of the Opposition should say, "Change your mind; we do not care. It is nothing to do with us. We have no rights in the matter"?

What does the Premier mean? Is he prepared to say so? Of course, he is not. The Minister and the Premier might understand quite clearly where I stand in this matter. I support the third reading and I hope that those members of the Government who agreed with the Bill, on its merits, on the second reading, will also support it on the third reading.

HON. SIR ROSS McLARTY (Murray) [6.6]: I am very sorry, indeed, that the Bill is being debated on the third reading. I was so certain that the measure was going to pass that I told certain people, who were interested, that it had passed the Assembly and that the third reading was just a formal matter.

Mr. May: How are you going to get out of it now?

The Minister for Labour: I did not say that when the State Government Insurance Office Bill passed the second reading in another place.

Hon. Sir ROSS McLARTY: I am also concerned about the Bill because I represent an electorate in which there are a number of tourist resorts where many thousands of people go for their holidays. I know the inconvenience that these people suffer when they arrive at a seaside resort and are prevented from buying some essential article of food. For the life of me, I cannot see how the Bill is going to have a detrimental effect upon industrial conditions. Later I shall read the schedule which will refresh members' memories as to the goods which can be sold by Fourth Schedule shops if the Bill becomes law.

A few months ago a similar measure was passed by the Victorian Government. I wrote and asked what effect it had had —whether it was a convenience, and whether it had been favourably received by the public. I was informed that it had been most favourably received. It had given to the people a convenience which they had not otherwise enjoyed.

The shops that will benefit as a result of this measure are, in many cases, run only by a man and his wife, who, quite often, are having a pretty tough time. This is because of the keen competition that they have to meet from the big stores; and the equally keen competition from the "serve yourself" stores. The small storekeepers cannot purchase their requirements at anything like the price at which the big stores buy, nor can they exist on such a small margin of profit. If they were permitted to sell these few articles, a great convenience would be provided for the public, and the storekeepers would have a better chance of survival.

As I said, I shall read just what can be sold if the Bill becomes law. First of all —

> Tea, coffee, cocoa and sugar.

I would think they would sell very little of these items because it is the practice for people to buy these commodities, which last for some days. The only occasions when they would be purchased after hours is when someone ran out of them and, as a result, required them quickly. Next we find —

> Prepared foods for invalids and infants.

Surely we are prepared to go this far! The next items are—

> Tobacco, cigarettes, cigarette papers and matches.

As the member for Bunbury said, they can be bought, up to 9 o'clock at night, at any hotel. The small shopkeepers would be allowed to sell these particular items. I would say there would be an extremely small demand for the remaining items which are—

> Toilet soap, shaving soap, razor blades, candles and powders and tablets used for relief of pain, the sale of which is not restricted under the Pharmacy and Poisons Act.

The Minister then added salt and band-aids.

The Minister for Labour: I did not add anything.

Hon. Sir ROSS McLARTY: I meant to say that the hon. member added them. This being the case, I hope the third reading will be carried. I can see no reason for the House to change its opinion. The matter was thoroughly debated on the second reading when quite a number of members spoke. When we got into Committee, the Minister put forward the very same arguments as he put forward today. He has not brought forward anything new.

Surely after members have voted for the Bill on the second reading and have put it through the Committee stage, after giving full consideration to it, they are not, just because the Minister offers some objection, going to turn a somersault and vote the Bill out on the third reading! Had the member for Fremantle been here when the debate took place he would, I believe, have been impressed with the arguments that were put forward in support of it.

Hon. J. B. Sleeman: I am afraid you are mistaken.

Hon. Sir ROSS McLARTY: I am sorry about that. I can only think the hon. member has not had time to give the matter consideration—unless it was discussed in Caucus today.

The Minister for Labour: He had the Hansards on the boat.

Hon. Sir ROSS McLARTY: I hate to accuse the Minister of misleading the House; and I do not want to do so at this stage. I will be extremely disappointed if the Bill is thrown out on the third reading and I know that a large number of my electors will be, too. If it is lost, in a few weeks' time a lot of inconvenience will be caused to a large number of people who go for their holidays to seaside resorts, because they will be debarred from getting some article of food which they are urgently in need of.

The similar measure in Victoria has not in the slightest broken down industrial conditions there, and it is absurd to say that because these few articles I have read out, could be sold at a later period than they are now, it will be detrimental to the industrial set-up in Western Australia. I hope members will continue to support the Bill.

Sitting suspended from 6.15 to 7.30 p.m.

HON. J. B. SLEEMAN (Fremantle) [7.30]: I would not like to cast a silent vote on the third reading of this measure. I intend to support the Minister for Labour in his opposition to this Bill in the same way as I supported the then Minister for Education, from outside this building, over 30 years ago. I do not think the member for Toodyay was very sincere when he told us that he was amazed at the way these people have voted because I remember the time when he would have been right behind such a move, especially at that time when he was driving his little horse and lorry around Fremantle. Now, of course, with his affluence it does not matter to him what happens to the shop assistants.

Hon. L. Thorn: It is nice to hear your voice again!

Hon. J. B. SLEEMAN: I was rather tickled at the remarks of the Leader of the Opposition this evening in taking us to task about wasting the time of the House, following which he got up to speak on the third reading of this Bill. He had one eye on the clock and the other on the door of the Chamber, no doubt wondering when the other two Liberal members were going to arrive. He then said that the whip had been cracked over us on this side following which he was waiting for the other Liberal members who should arrive very shortly.

Last Thursday the Leader of the Opposition said that if the member for Fremantle had been present, he knew what that hon. member would have done. I know what I would have done; I would have moved for the appointment of a select committee because it is time that an important piece of legislation such as the Factories and Shops Act should be the subject of an inquiry.

Mr. Roberts: I suggested that before.

Hon. J. B. SLEEMAN: The original Act was introduced following a report presented by a select committee which was appointed to inquire into the position. Following is a list of those who gave evidence before that select committee:—

> The Employers' Federation; Chamber of Manufactures; Chamber of Commerce; Perth and Suburban Chemists' Association; British Medical Association; United Friendly Societies; Coastal Grocers' Union of Employers; Master Butchers' Association; W. A. Newsagents' Association; Traders' Association, Geraldton; National Council of Women; Anglican Social Questions Committee; W.A. Organisation of Labour Women; W.A. Caterers' Union of Employers; Master

Pastrycooks' Association; Master Tobacconists' Association; Shop Assistants' Union of Workers; Hairdressers' Union of Workers; Federated Carters and Drivers' Union of Workers; Amalgamated Butchers' Union of Workers; and the Hotel and Restaurant, Tea Room and Club Employees' Union of Workers.

That was a fairly representative group of people who gave evidence. As I have said, following the presentation of that evidence the original Act was introduced in this House. I can remember the Bill being handled by the then Minister for Education, Sir Hal Colebatch—who was not a Labourite—and he did a wonderful job in explaining the Bill and presenting it to another place. However, when it was in Committee the clever boys up there moved the Chairman out of the Chair, and the motion was carried.

Some members of the Shop Assistants' Union decided that they wanted the Bill passed and I was one of those who marched with them to Parliament House following which we had a meeting on the green. The result was that the Chairman was put back into the Chair, and the Bill was eventually passed. The member for Bunbury mentioned something about the work he did in this regard. However, when the pioneers of the movement were successful in getting this legislation passed, where was he? He was never in the picture!

Member: He was at the war.

Hon. J. B. SLEEMAN: What war was on in 1920? Mullewa was the only war on then!

I am not going to waste the time of the House, but I am astonished at the vote taken the other evening and if I had been here, I would have made a move to ensure that the Bill did not go through the second reading stage. I intend to sit down now before the other two Liberal members arrive. They have not arrived as yet, and I do not know what has happened to them; I do not know whether they have had a puncture or not.

MR. EVANS (Kalgoorlie) [7.36]: I would like to have a few remarks recorded in connection with the efforts I have made concerning this Bill. I did not hear the interjection just made by an hon. member, but I would remind him that if he listens carefully with all ears, he will know as much as I do and perhaps more than I do at this stage, when I have finished speaking. I agree entirely with the member for Fremantle in that a piece of legislation such as this should be brought to the light of modern thinking. It should be examined thoroughly with a view to giving a fair go to the small shopkeeper.

Mr. Court: That is what this Bill seeks to do.

Mr. EVANS: That is debatable. In view of modern business trends, a fair deal should be meted out to the small shopkeeper. I supported the second reading of the Bill but, at the risk of being labelled another George Reid, I am going to oppose the third reading. It is not a question of the whip being cracked at all. I have no lash marks on my back. I supported the second reading of the Bill because I was anxious to have time, after having listened to the debate, to obtain the opinion of the people in my electorate on the Bill.

Over the week-end I took the opportunity of visiting quite a few of the small shopkeepers concerned. As the members of the Opposition so truthfully pointed out, trading in the commodities listed in this Bill operates even tonight and if the Bill is lost, no doubt this trading will continue. As far as the small shopkeepers in Kalgoorlie are concerned, they are prepared to let sleeping dogs lie.

I also interviewed the proprietors of other small shops and they naturally would feel they were being victimised if they were not included in the provisions of this Bill. Therefore, I can visualise this legislation creating discord among many of the various types of shopkeepers. Further, I sought the opinion of those housewives with whom I came in contact. I did not interview many but I asked the opinion of those I did meet on the provisions of this Bill. They were not particularly enthusiastic about it. In fact, no great feeling has been whipped up over the provisions contained in this measure.

Further, I also took the opportunity to consult the secretary of the local Shop Assistants' Union. This is an organised body and is one which could express a representative opinion of its members, and here I found strong opposition to the Bill.

Mr. Roberts: Do you mean the Shop Assistants' Union in Kalgoorlie?

Mr. EVANS: Yes. However, although I intend to oppose the Bill on the third reading I am also anxious to support, and perhaps to instigate at a later stage, a move to have this legislation thoroughly investigated with a view to seeing whether something can be done to effect some improvement on this proposed makeshift measure that we have before us at present, in order to give a fair deal to the small shopkeepers. I think that such a move would appeal to the member for Cottesloe because I am sure he is honest in trying to achieve his purpose. Nevertheless, I do not think this Bill will prove to be beneficial to all shopkeepers, because all shopkeepers are not those who come under the Fourth Schedule of this legislation.

It is because of that, therefore, that I was anxious to make this explanation and at the risk of being called a "yes-no"

person, I intend to oppose the third reading of the Bill. I would like to add I was not particularly happy with the member for Cottesloe who, after having piloted his Bill through the second reading, moved to include two other items in the list of commodities originally proposed.

Mr. Ross Hutchinson: I did that only because I explained when I was introducing the Bill that I intended to do so.

Mr. EVANS: But the hon. member did not say he intended to do it.

Mr. Ross Hutchinson: Yes, I did.

Mr. EVANS: Well, I am sorry, but I did not hear him say that. I object to salt being added to this list. I did not think that commodity should have been included. In any case, I do not like the principle of including other commodities after the second reading stage has been reached because I feel, at a later stage again, some other member could move to add another item, following which there could be a chain reaction extending into infinity. I, therefore, oppose the third reading of this Bill.

MR. ROSS HUTCHINSON (Cottesloe—in reply) [7.43]: As members may appreciate, I am very disappointed that the Minister for Labour has taken the opportunity to oppose this Bill of mine. The situation has not changed, of course, from the time when the Bill passed through the second reading stage except in so far as the amendment concerned was made, namely, to add two items—salt and band-aids—to the small list of goods that could be sold.

I added those two items only because I gave notice of my intention to do so when I introduced the Bill at the second reading stage. Further, I added them only at the request of the Housewives' Association which was anxious to have them included in the list. Perhaps I made a tactical mistake by amending my Bill in that respect and so have given the House an opportunity to oppose the third reading. If those two additions had not been made, I feel certain the Bill would have passed through the third reading stage last Wednesday.

The situation has not altered. I think members are aware of what goes on at the present time in regard to the small storekeepers who keep privileged hours by trading up to 11 p.m. on week-days, and also during the week-end. They may sell certain goods. It is known to everyone that these shops are forced to trade illegally when selling certain articles. I introduced the Bill to assist the small storekeeper to cut down on the petty illegalities, and also to help the public without in any way prejudicing the employees, industrial relationships, or working hours.

Mention has been made of the fact that industrial conditions will be affected; that is not so. No one has been able to prove that. Several members have suggested that that might be the position, but the industrial conditions could not be worsened because nothing different from what pertains today would come to pass. Every member knows what these shops are like and how they are run—generally by the storekeeper and his wife. Can anyone think of shop assistants being employed in them to serve customers after 6 p.m.?

Mr. Lawrence: Any amount of them.

Mr. ROSS HUTCHINSON: I frankly cannot imagine that happening. The hon. member has no opportunity now to give us any information in this regard, but if he will tell me in private of any small corner-store which employs labour, I shall be very pleased to know.

Mr. Lawrence: I think I have a right to get up and speak in this debate.

Mr. ROSS HUTCHINSON: I do not know. Even if some shop assistants work in the shops mentioned in the Fourth Schedule, they will still be working under the same conditions as applying previously. There may be a number of shop assistants so employed but that will make no difference. What will be achieved will be to obviate trading illegally when selling goods shown in the list contained in the Bill. The member for Bunbury has read out that list and informed members of the type of goods referred to therein.

The criticism offered against the Bill is not founded on the Bill. Many of the remarks made by the member for Fremantle when speaking on the second reading were irrelevant. All I am doing in the Bill is to add a small list of goods which may be sold by these shops. I am not seeking to alter the hours. If I had included in the list such articles as canned foods, packaged foods or bottled goods, there might have been some ground for criticism. I purposely left those out because I realised that to include them in the Bill would create other problems, such as those relating to industrial conditions and where a person wants to open a large shop and create hardship for the small shops I seek to assist. I do not believe when trying to solve a problem in creating further problems which might be equal to or exceed, the problem on hand. That would be foolish.

No new argument was introduced by the Minister. He said the Bill would possibly aggravate industrial conditions and cause unfair competition with shops that close at 6 p.m. During the reply on the second reading, I covered those two points. I said those fears were in the Minister's mind only, and they would not arise in practice. I know that the voting is stacking up against me, because members who were absent previously have returned to the Chamber. Already one member has

stood up and expressed his change of heart as to the manner in which he is going to vote. I am sorry to see that. I can understand to a certain extent, if not fully, the reason for the change of heart. I would point out that members should have regard for the womenfolk of this State who desire to see this Bill passed.

I am aware that no great enthusiasm has been whipped up by the womenfolk. That would be too much to be hoped for in a Bill of this nature. But thought should be given to the woman of the house who after doing a hard day's work, has forgotten to purchase a half-pound of tea earlier and who, at 7.30 p.m. finds she is out of tea for supper that night or for breakfast the next morning, and who then sends her child out to buy the tea and so contributes to the shopkeeper performing an illegal act.

Examining the list of goods mentioned in the Bill, no one can suggest that any great evil or harm will result from the passing of it. I am not going to repeat what I said during the second reading. In my opinion, though it may not be the opinion of members opposite, this is not a party Bill and members are given the opportunity not to follow the lead of the Minister. By interjection, some members have assured us that the whip has not been cracked, so there is no necessity for a change of heart. Conditions today are still the same as they were when the Bill passed the second reading. If that is the position, this Bill should pass the third reading. It is with some trepidation that I have moved that the Bill be now read a third time.

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

Ayes	21
Noes	22
Majority against	1

Ayes.

Mr. Ackland	Mr. Nalder
Mr. Bovell	Mr. Oldfield
Mr. Cornell	Mr. Owen
Mr. Court	Mr. Perkins
Mr. Crommelin	Mr. Roberts
Mr. Grayden	Mr. Rodoreda
Mr. Hearman	Mr. Thorn
Mr. Lapham	Mr. Watts
Mr. I. Manning	Mr. Wild
Mr. W. Manning	Mr. Hutchinson
Sir Ross McLarty	*(Teller.)*

Noes.

Mr. Brady	Mr. Lawrence
Mr. Evans	Mr. Marshall
Mr. Gaffy	Mr. Moir
Mr. Graham	Mr. Norton
Mr. Hall	Mr. Nulsen
Mr. Hawke	Mr. O'Brien
Mr. Heal	Mr. Potter
Mr. W. Hegney	Mr. Sewell
Mr. Jamieson	Mr. Sleeman
Mr. Johnson	Mr. Toms
Mr. Kelly	Mr. May
	(Teller.)

Question thus negatived.

Bill defeated.

BILL—DEATH DUTIES (TAXING) ACT AMENDMENT.

Read a third time and transmitted to the Council.

BILL—ADMINISTRATION ACT AMENDMENT.

Report, etc.

Report of Committee adopted.

Bill read a third time and transmitted to the Council.

BILL—LAND ACT AMENDMENT (No. 3).

Report.

Report of Committee adopted.

Third Reading.

THE PREMIER (Hon. A. R. G. Hawke—Northam) [7.57]: I move—

That the Bill be now read a third time.

MR. ACKLAND (Moore) [7.58]: During the debate on the second reading, the Minister for Works stated that although the document was not available to the House, an opportunity would be given to discuss the agreement which was to be made between the Government and Esperance Plains Aust. Pty. Ltd. during the third reading debate. I therefore wish to take advantage at this juncture to say something about the agreement.

Members may recall that I was wholeheartedly in support of a move which was being made by the Government to encourage American capital into Western Australia for the purpose of developing large tracts of country in the Esperance area. I am still of that opinion. It was an excellent idea to persuade that syndicate to come to this State for this reason: This State, with huge areas of land and a small population, and because it cannot look to the Federal Government for very much assistance in the development of such land, should not only encourage American capital to be invested here but also English capital, Australian capital or capital of private individuals, particularly for the purpose of developing the land in this State.

It was also mentioned that although 1,500,000 acres of land were being made available to those people, there was still a good deal of land in other parts of the State as well as along the south coast which was still available and could be utilised, and all that was asked was that the Government should make it possible for people to select that land. People are clamouring for it. I understand that for every block which was made available at Esperance for civilian selection recently, there were 10 or more applicants. In fact, I happen to know that there are two members in this Chamber at present who applied for land at Esperance. Both of them

had sufficient capital to do all the development necessary, but both of them were unsuccessful.

The Government would be very well advised to make more land available for our own people as well as the people from overseas. When speaking to the second reading, I mentioned that I would very much have liked to see the agreement before we were asked to vote on this very important matter. Four years ago we had before this Chamber legislation which empowered the Anglo-Iranian Oil Co. to start operations here. At the same time, we had other legislation which was to enable B.H.P. to begin operations at Kwinana.

Both of those companies belonged to our nation. One was financed principally by English capital, but the other had all its assets wrapped up in Australia. It was a company which did more possibly than any other organisation which had ever existed in Australia to advance this country; and I believe it was a company which did more to win the second world war by its industry, by the stuff it manufactured, than any other organisation which Australia has ever seen.

Mr. Lawrence: That is absolute rubbish.

Mr. ACKLAND: That is the opinion of the hon. member.

Mr. Lawrence: What is it doing now?

Mr. ACKLAND: It is different from the opinion held by people more competent to judge than the member for South Fremantle or myself.

Mr. Lawrence: I am quite sure that the company did not win the war.

Mr. ACKLAND: I am talking about organisation.

Mr. Lawrence: What is doing today?

Mr. ACKLAND: It provided the tools of trade for fighting.

Mr. Lawrence: You believe we should have tools of trade to kill one another?

Mr. ACKLAND: I do—

Mr. Lawrence: Yes, I am sure you do.

Mr. ACKLAND: —when the necessity arises.

Mr. Lawrence: You didn't go to the war yourself.

Mr. ACKLAND: I think I have seen as much active service as the member for South Fremantle.

Mr. Lawrence: I am sure you haven't! I will put my medals up against yours.

Mr. ACKLAND: We are not here to engage in—

Mr. Lawrence: Don't tell lies!

Mr. ACKLAND: —a fight against each other as to whom has given the greatest service. I know that the hon. member was a very good soldier. He has told me so tonight. I do not give very much credence to that, but I have heard from some of his comrades that he was a very good soldier indeed.

The SPEAKER: What has that to do with the Bill?

Mr. ACKLAND: It is only a reply to the interjection, Mr. Speaker. If you are going to allow the member for South Fremantle to make irrelevant interjections—

Mr. Norton: You need not answer him.

Mr. ACKLAND: —I think it is in order to allow me to reply. I did not hear any action being taken to prevent the member for South Fremantle from interjecting in this most unnecessary and unusual way. It is the first time I have heard any member of this House blowing his own trumpet and saying what a good soldier he was.

Mr. Lawrence: You have still to prove that you were as good a one as I.

Mr. ACKLAND: I have not the slighest intention of trying to do so. If I may get back to the Bill, I should like to draw attention to the fact that during debates on the oil company Bill and the B.H.P. Bill four years ago, the Premier and the Minister for Works—those two in particular—and many others who are now occupying seats on the Government side of the House, became most abusive. In fact, the Premier became a prophet. He prophesied all sorts of dire consequences to Western Australia. He said that the companies were not going to fulfil their obligations. In those instances, we had measures placed before us which had to be ratified by Parliament before they became law. But here we have an agreement which has been entered into by the Government and which has been signed and sealed without any opportunity being given us to discuss it. Although I have not any legal knowledge, I consider the agreement is so wide open that a horse and cart could be driven through it.

On the company's side there is nothing but a lot of promises which are not backed up in the Bill by penal clauses. The company has promised to do certain things. I believe it is going to do them. I believe it is the type of company that will do them. But the assets of Western Australia are wrapped up in this enterprise; and I think that any Government which is willing to give away assets at 4s. an acre without any conditions being imposed whatsoever except verbal promises, should be censured for what it has done.

Mr. Lawrence: You voted for the B.H.P. agreement.

Mr. ACKLAND: Of course I did! And it was a good agreement and has been fulfilled in every respect. But in this instance we have only a verbal promise of what will be done.

Mr. Lawrence: You had no written promises in the other case either, and we still haven't got the rolling mill.

Mr. ACKLAND: I have no wish to take up a great deal of time in this debate, but I suggest to those new members who were not here four years ago that they read the speeches in Hansard of 1951 and 1952 in reference to these matters, and they will then realise how far this Government has gone. The conditions that are laid down in this measure were not equalled by those concerning which complaints were made against the McLarty-Watts Government.

For my part, I want to know why there are no penal clauses in this agreement. I want to know why the Government is willing to sell 1,500,000 acres of land to this company at 4s. an acre without a single penal clause, while it is selling land which is no better—and in some cases not as good—at 8s. an acre to private individuals.

Mr. Lawrence: Hypocrisy unadulterated!

Mr. ACKLAND: I want to know why if any member of this House—including the member for South Fremantle—selected a piece of land in Western Australia for farming purposes, he would be compelled to do improvements, and yet there is no compulsion in respect of this Esperance land, but only just promises. If this company cannot find water on part of the land, it can hand the land back to the Government and get a refund of its money. I want to know why, if it finds poison on portions of the property, it can say, "We don't want this land", and the Government will refund the money and take back the land. It is in the agreement. But that does not apply to any other land selection which I know of in Western Australia.

Then we have the spectacle of the conditions in this agreement for selecting land. It is quite true the company has to select 50,000 acres next year and for the next three years 100,000 acres; and that the next parcel of land is not to be sold to it until such time as it has effected improvements on a section which it received the year previously.

But that is not a penal clause; it is a let-out clause. This company can go on selecting up to 350,000 acres; and because it has done that, it has the right to select 1,150,000 acres for which it pays 4s. an acre; and there is nothing in the agreement to make it do one pennyworth of improvements. So far as I read it, the company can hold on to that land until Doomesday, because there is nothing in the Bill to make it do any further improvements. Yet if I select land or the member for South Fremantle—I like tying the hon. member up with myself tonight, because we were both members of the same battalion, only he belonged to it a great many years after myself—

Mr. Lawrence: We won the last war; we nearly lost the first one.

Mr. ACKLAND: I am of the opinion that by the terms of the agreement, the company can hang on to the land for 15 years. To me the agreement is as loose as it can possibly be; and for a party of politicians who were so loud in their condemnations of what was done at Kwinana, both by the oil company and the B.H.P.—

Hon. J. B. Sleeman: Are you satisfied with the oil agreement?

Mr. ACKLAND: I am quite satisfied.

Hon. J. B. Sleeman: It might be robbing the Government of quite a lot of money.

Mr. ACKLAND: That agreement came to this House for ratification, and it was ratified by members of this Chamber and of another place. But this agreement has not been treated in that way. I started by saying I was glad the Americans were coming here—very glad indeed. I still am.

Mr. Moir: You didn't sound very pleased just now.

Mr. ACKLAND: I believe they will fulfil their promises. But for the Government to give away the assets to this company; to give away what I believe to be the most valueable portions of Western Australia, the most productive portion when one takes into consideration the capital expenditure needed to bring it into production and doing this on the basis of a blank cheque, I think the Government is deserving of censure.

The Premier: Why do you not move that way?

Mr. ACKLAND: I have not the slightest intention of doing so.

The Premier: Just political humbug!

Mr. ACKLAND: It is not political humbug. I am speaking from knowledge gained in taking up three different lots of virgin conditional purchase land, in connection with which I was compelled to do certain improvements. On some of that land, I could not find water but there was no thought of handing it back to the Government and asking for a refund, although I am Australian born and bred, but here we have an American company, the agreement with which lays down conditions of improvement which allow it to hand back poison country or country where there is difficulty in getting water. Should the company so desire—I do not believe it will—it could hold 1,500,000 acres of land, having paid 4s. per acre for it, yet there is no clause in the agreement that would make it obligatory for the company to do one halfpennyworth of improvements to that land, if it did not wish to do so.

MR. BOVELL (Vasse) [8.18]: I take this opportunity of raising certain points in connection with the agreement that has been completed between the Government and Esperance Plains (Australia) Pty. Ltd. In the past it has been usual for such agreements to be presented to Parliament for consideration and ratification—if the majority of members were agreeable—but on this occasion the Government has entered into an agreement with this American company without following that course. I commend the action of the Government in endeavouring to attract outside capital to develop our rural land but I think that first of all Parliament should have been consulted.

There are a number of points I desire to raise and, as the agreement will not be included in Hansard, I will refer to certain clauses which I think are deserving of comment. The agreement, as I see it, is to allow Esperance Plains (Australia) Pty. Ltd. the right of selecting in all 1,500,000 acres of vacant land in the Esperance Downs area, to the east and west of Esperance, at a cost of 4s. per acre plus survey fees.

The company has the right to select certain areas by notice in writing to the Minister, and by the end of the first year a minimum area of 50,000 acres and by the end of the second year, including the area selected in the first year, an area of not less than 150,000 acres is to be selected. By the end of the third year a total, including the area selected in the first and second years, of not less than 250,000 acres, and by the end of the fourth year a total, including the areas selected during the first three years, of not less than 350,000 acres is to be selected, provided that a total of 1,500,000 acres, more or less, shall be selected and applied for by the company prior to the 31st day of December, 1961.

Another clause which I think merits careful consideration says—

> Provided further that if at any time the company is not bona fide proceeding with progressive development of the parcels already allotted to it, the State shall not be bound to grant to the company any further land under this agreement until such default is rectified.

I would say that provision is binding on the Government but not on the company, because the company is not obliged to develop the 1,500,000 acres. It can pick the best part of that land and then not proceed with the project as regards the rest of it. Under the terms of the agreement, it may be permitted to use only the best areas of land and I think the Government should have included in the agreement an obligation on the company involving some forfeiture of capital if it does not carry out the full programme of development in regard to the 1,500,000 acres of land.

The agreement also states that in addition to the 4s. per acre, the company shall pay the cost of survey fees but, as I see it, the survey shall be carried out by the State at its own cost and expense although the company shall pay, on demand, to the State the cost thereof not exceeding 1s. per acre in regard to the area surveyed, including the cost of the preliminary survey. I would like an assurance from the Premier or the Minister for Lands that it is not likely that the cost of the survey will exceed 1s. per acre and therefore be a charge against the taxpayers of this State.

In addition, the Government is required to construct or cause to be constructed and to authorise the Commissioner of Main Roads to maintain in satisfactory condition a road from Albany to Esperance for the purpose of carrying the traffic to and from the district as development proceeds. The Government is also obliged to construct or cause to be constructed with funds accruing to the local authority of the area from land rates or vehicle licence fees and to cause to be maintained in a satisfactory condition, all developmental and access roads.

I would like some explanation as to the impact that will have on local government finance. Has the Esperance Road Board been consulted in this matter and will there be close co-operation between the Government and the local authority with a view to seeing that no burden is placed on the local authority? Furthermore, on page 5 of the agreement we read that the State accordingly agrees that, as soon as practicable, it will set aside for the company or its nominees in the vicinity of Esperance—

> (a) land which the parties hereto agree is suitable for the erection and operation of a fertiliser works and
>
> (b) land which the parties hereto agree is suitable for the erection of a killing works and for the discharge of waste products and the provision of holding yards.

I quite aggree that these works should be established but I see no provision as to when they are to be completed.

There is in the agreement on page 6 a clause which states—

> And the company agrees:
>
> (a) to erect a fertiliser works on the land so provided therefor by the State within a period of two years from the date of such provision;
>
> (b) to erect a killing works on the land so provided therefor by the State within a period of two years from the date of such provision.

There is no obligation on the company to agree to a site except at its own convenience and on mutual agreement between the company and the Government. I think there should be in the agreement a condition that the land shall be selected for these works within a period of five years or whatever other term is considered suitable.

I am not very happy about that clause which restricts the company to conducting its financial transactions through a State instrumentality. I feel that that is binding the company too much, although it is not bound in many other directions. I think the company should be permitted to conduct its financial transactions through whatever financial institution it wishes, and I do not agree with that restriction.

One point about which I am very concerned is found on page 4 of the agreement under the heading of "Disposal of Subdivided Farms," where we read—

> The company agrees within a period of ten years after a permit to occupy has been issued for a parcel to have available for sharefarming lease or sale at least 50 per cent. of such parcel subdivided and developed as aforesaid. No lease or sharefarming agreement shall be entered into for a term exceeding five years. Any lease or sharefarming agreement of a holding entered into after the expiration of ten years following the issue of a permit to occupy for such holding shall give to the lessee or sharefarmer who is not in default an option of purchasing the land leased or sharefarmed on the expiration of the term at a price to be stated in the agreement or determined by arbitration.

That binds the purchaser of the property and it would appear to me that a period of 15 years could elapse before the settler has the opportunity of securing a freehold title to his land. I consider that in an agreement such as this, the purchasers should be given every encouragement to obtain the freehold of their land. That would attract people with capital from other States, from the U.S.A. and elsewhere overseas to come here, but if they are restricted and have to sharefarm for five years, with a further period of ten years before they can secure the freehold title, I think that will tend to decrease the flow of investment to this State.

There is a further feature in regard to those eligible to participate in the selection of this land. The agreement says that the company shall (a) endeavour where possible to settle the said land with people from the Commonwealth of Australia, the United States of America and, if necessary, from European countries. Then (b) if possible ensure that at least 50 per cent. of such settlers are from the Commonwealth of Australia and (c) confer in the selection of settlers with a committee appointed by the State for that purpose, the intention being that not more than one holding shall be allotted to any one person.

Generally speaking, I cannot find any fault with the fact that at least 50 per cent., if possible, of the settlers are to come from the Commonwealth of Australia; I think that is very commendable. Also, as regards people from the United States of America, this country has been a great partner and an ally of ours. The capital for this venture is coming from that country and I can find no quarrel with the endeavour to settle the land with people from the United States. But I think the agreement should have included "British subjects."

We know that British people coming to Australia become Australian citizens; but there may be British people who are not at present in Australia and who may want to select land in that area. They may want to decide on it before they leave England and I think a clause should have been inserted—I know it is too late now because, as the member for Moore said, the agreement has been signed, sealed and delivered—to cover British subjects if they made written undertakings that they would come to Australia and personally develop those properties. At least those people should have been given an opportunity to select farms.

I am particularly concerned that the agreement excludes British people because we want to encourage people from our own family. Almost all of us are descendants of English, Scottish, Irish or Welsh people and we all know the great benefit that this country has derived from its close allegiance to the British Isles. I say that it is a dangerous principle to exclude people from our Mother Country. I can only conclude that the Government has made this omission inadvertently.

Mr. Lapham: The Minister who drew up the agreement is English.

The Premier: Is not Britain a European country?

Mr. BOVELL: It is not referred to as a European country. It is known as the British Isles.

The Premier: That is ridiculous.

Mr. BOVELL: I think the Government has erred without knowing that it has done so. I always favour the mention of the British Isles in every document that exists, because we rely on our Mother Country. Like all families we disagree at times, but nevertheless we are still one family, and I was alarmed to see that this agreement did not mention prospective settlers from the British Isles. I have no real quarrel with the Government because I believe that it has acted in the best interests of the country. But the principle of not bringing agreements of this kind to Parliament for consideration and ratification is one about which I have very strong

feelings. I believe that the Government has acted very unwisely in going ahead with the agreement without first submitting it to Parliament for consideration and ratification.

Then again, I am mainly concerned that those settlers who take up this land should have some protection, because there is no clause in this agreement which gives them any protection against eviction. We know from the history of land settlement in Western Australia that great hardships have been suffered by settlers under various land settlement schemes. As a bank officer in the early days, I was stationed at Katanning, Tambellup and Albany when the Kendenup project was in the doldrums. In the years from 1924 to 1930 settlers in that area were having a really hard time. They have come through, all to their credit, but some of the original settlers fell by the wayside due to the difficult conditions.

We have seen, too, the privations of settlers who were connected with the development of the South-West in the early group settlement days. Their troubles were caused by a lack of finance and adverse conditions as regards markets overseas, and individual settlers suffered great personal loss and inconvenience. So I think the Government should take up with the company the matter of reasonable protection for settlers; especially Australian settlers, who will take up this land. I will conclude by wishing the company and the Government every success in this project, and I trust that the settlers who take up this land will be rewarded for their enterprise and endeavours.

MR. HEARMAN (Blackwood) [8.35]: A week or so ago, when debating the proposed amendments to the Land Act, I raised the question as to whether in view of the hurried investigation the Chase syndicate—as it was then called—had made into this proposition, that there were to be any binding commitments. The Minister for Lands and the Minister for Works got very agitated at the suggestion that the company would not commit itself and the Minister kept interjecting and saying how wrong I was. All I can say is that my worries and fears in this connection were apparently fully justified.

I have no objection to this company being given encouragement to take up and develop land that we cannot develop ourselves. I do not blame it for getting an agreement with the Government which is all one way—all the company's way. I know that the principals of this company are men of considerable ability and I think that they have, in this matter, well and truly outmanoeuvred the Government.

Mr. Nalder: You would hardly call it an agreement would you?

Mr. HEARMAN: I understand that that is its official title. I do not blame the company for having got the best of the Government. But it is amazing to think that we have an agreement under which a company, which consists for the most part, I understand, of very wealthy people, should be able, on the payment of 4s. an acre, plus survey fees—up to a maximum of 1s. which means that they cannot pay more than 5s. an acre—to get, if they require it, 1,500,000 acres of land.

The company gets a title to the land immediately because the agreement makes no bones about the fact that the price is 4s. per acre plus survey fee and that on payment of that sum, a title is granted. The agreement says—

> at a price of 4s. per acre plus survey fee as hereinafter mentioned an estate in fee simple free from encumbrances . . .

That seems to be all-embracing. In other words, we are prepared to give these people the land on payment of a maximum of 5s. before they have ever struck a blow, as it were—before they have done a single penny-worth of improvements.

That is what we are committed to under the agreement. The company could, if necessary, under this agreement, take up the whole of the 1,500,000 acres within the first 12 months and then the question of not giving it further parcels of land, which appears to be the only thing that could remotely be described as a penal clause, could not arise because by then the company would have been given every bit of land to which it is entitled under the agreement. It is amazing that the Government should go that far and I doubt very much whether the syndicate would have expected the Government to go that far.

These people are very wealthy and they have come here only recently and are being very much better treated than any Australian settler who endeavours to take up a piece of land. If a man goes to the Lands Department to get a block of land under conditional purchase he has to pay so much down—not a great deal I know, but more than is being asked for under this agreement—but he cannot get his title until he has done certain improvements and made certain further payments. It seems amazing to me that any syndicate would ask for more favourable treatment than our own people get, and it is even more amazing that the Government should agree to give it this favourable treatment.

It is particularly amazing when we realise that the very people who constitute this company are of the same type whom the Government so frequently holds up to ridicule as being those who have a poor standard of business ethics because they charge interest on money they lend. This company is out to make a profit, but

under other circumstances the Government thinks that that is wrong. Yet it is now extending to those people, through this agreement, concessions which it will not give to any local man who applies for land.

I have no quarrel with the idea of the company going ahead and developing this area—I think it should be given every encouragement and incentive. But I do not think it was necessary to go to the same lengths as the Government has gone, and I hardly feel that the principals concerned expected the Government to go this far.

As regards the developments that are envisaged, such as the meat works and the super works, there is nothing in the agreement that commits the company to doing anything in that direction. The agreement merely gives the company the right to get the land for nothing—not for nothing, but at a reasonable price, and it is not a great sum. There is one question in connection with the fertiliser works that I would like to hear more about. In the event of the company deciding not to erect a fertiliser works, what provision is to be made to provide the settlers with the necessary superphosphate? If the company does not erect a fertiliser works within another five years, and the development proceeds as envisaged, we can reasonably expect that there will be 750,000 additional acres of land under pasture, and that land will require super.

We know, from our own practical experience, that our facilities in this State have been taxed in that connection. Successive Governments have had to provide money to encourage the erection of new super works at Albany and I would like to know what steps the Government proposes to take in the event of the company not erecting a super works and getting into production in time to relieve the strain that will be imposed on our other works throughout the State.

What steps does the Government intend to take to protect farmers from a shortage or super? We have had a shortage before and we could, quite conceivably, have another shortage. I am sure that the company concerned would not have felt that it was unreasonable if the Government had made some provision to ensure that the production of the present works was directed, as a first priority, to existing farmers. I would like to hear from the Premier as to how he proposes to meet the situation that could arise if the syndicate did not go on with its proposal to erect a super works. I hope, of course, it will, and it is probable that it will; but, on the other hand, there is the possibility it may not do so perhaps as quickly as we would like it to.

The other matter I would like to put to the Premier is the question of the money that will be received by the Government if this land is to be sold in large parcels to the company concerned. A week or two ago we had a debate in this House which indicated that the Government was unable to find money for the agency section of the Rural & Industries Bank. It does seem to me that if the Government would earmark this money, which it will receive from the syndicate, for the agency section of the Rural & Industries Bank to enable it to assist other settlers who require assistance throughout the State, at least, the project would have the effect of benefiting not only the Esperance area but settlers deserving of assistance throughout the State.

In view of the fact that successive Governments have given so little to the agency section of the R & I bank—I understand since 1925 the amount has totalled only £50,000—it is a source of revenue that the Government should have a look at, to see if it cannot be earmarked for that particular purpose. It seems a legitimate way of expending that money, and I would like to hear from the Premier during this debate whether he would give favourable consideration to that proposal.

Since the Government has gone such a long way to make concessions, as it were, to this company, I feel that other settlers, or would-be-settlers, are entitled to at least some additional consideration from the Government. This is one way in which the Government could provide assistance to those men in need of it; and to future men who would be in need of it. It might ensure that some of our settlers, who perhaps otherwise may have to leave their holdings could continue as successful farmers.

Like the member for Vasse, I was rather surprised, as far as the matter of settlers is concerned, to think that the people from the British Isles should be placed in exactly the same category as all other Europeans. It is an amazing thing to me that any Government anywhere in Australia —I was going to say anywhere in the British Commonwealth—should fail to at least show some form of preference to settlers from the British Isles, even if it only put them second to settlers in Australia. But why people from the British Isles should be lumped with the Europeans passes my understanding. Whether that was the intention of the Government or whether the syndicate insisted on it I do not know. Again, it is one of those things on which if the Government had held out, the syndicate could hardly have objected. Why the Government accepted that I do not know.

. I hope the project is successful, but it seems to me that if it is not as successful as the company wishes, it could then pull out at any stage and all it would lose would be the money which it had actually put into the developmental work at that juncture. But there would be no real loss as far as the company was concerned.

The company would not commit itself to any great extent; indeed it has committed itself rather less than I expected.

Why the Government could not have brought the agreement to Parliament in the normal way and told the company it would have to be ratified, I do not know. As a matter of fact, the Bill, of which this is the third reading, is the opportunity provided to Parliament to ratify the agreement. It seems a rather roundabout way of doing things. I cannot see the advantage of it. In signing the agreement the Government had no legal authority; it was outside the law, and there appears to be nothing in the agreement to indicate that the signatories knew it was outside the law. Why the Government adopted this method I do not know.

The other method we have of dealing with agreements made with large companies is far more satisfactory, but why that arrangement was not good enough in this case, I cannot understand. I rather feel that if B.H.P. had said, "We will sign this agreement whether you like it or not; we do not care what Parliament says," the members of the Government at that time would have said, "If that is their attitude, let them go without the agreement." I feel sure that would also have been the reply to the Anglo Iranian people had they adopted the same attitude.

I do not believe that these people are any less reasonable or realistic than the principals of B.H.P. or the company at Kwinana; I do not think they would expect any Government to break its laws for them. The previous method of dealing with agreements was better, and the explanation so far given during this debate by the Minister for Lands that if we did not agree to this Bill there would be no agreement, does not make the position sound any better to me, particularly when the Minister did not tell us what the agreement was or what it contained. I see no reason why at that stage Parliament should not have been given an indication as to what the proposals were.

However, that is all water under the bridge, and we cannot do much about it. I hope the Government is able to give us some reasonable explanation why such preference has been shown to this company. I realise the need to attract capital from any source available to us to develop this country, but I think there are limits to the extent to which we should go. I should have thought that what was good enough for us in Western Australia, for our own people, might reasonably have been expected, in broad principle, to have also been good enough for other people. That idea does not seem to have motivated the Government in signing this agreement.

MR. COURT (Nedlands) [8.54]: This third reading debate is rather unusual inasmuch as it amounts to a debate virtually on the ratification of an agreement entered into between the Government of this State and a company known as the Esperance Plains (Australia) Pty. Ltd.—presumably acting for the Chase syndicate. During the Committee stages of the Bill, the Minister for Works indicated that this would be the appropriate time for members to request information and to voice their approval or opposition as the case may be, in respect of the agreement.

I have studied the agreement and the comments I make will I hope be in something like the order in which the various clauses appear in the agreement. To say I am surprised at the form of the agreement is a very mild expression of how I feel about it. I can only congratulate the company on being able to enter into what I would consider—if I were acting for the company—a dream agreement. It is the object of any company to enter into an agreement which gives them ample scope to achieve what they want, but at the same time not be encumbered with penal clauses which could be embarrassing at a later date.

During the Minister's introduction of this matter and through Press references to the deal involved, we were told it was one in the vicinity of between £14,000,000 and £20,000,000 according to the degree of development, and the ultimate fate of the area, such as the devlopment of the harbour, the killing works, the fertiliser works and the like. But it is rather extraordinary that the agreement itself provides no financial commitment, as such, in any way. It provides for the joint intention between the parties, but it does not bind either party to a fixed sum or a minimum sum to be invested in this particular venture.

I can only assume—and on this point I trust the Minister, when he replies, will be able to inform the House—that there is a series of memoranda between the company, the syndicate and the Government which more clearly explains the true obligations between the parties. When I say between the parties, I feel the Government's obligations are fairly clearly defined; but the obligations of the company are less clearly defined, and, in fact, are very hard to determine, should the company at any particular stage decide it would like to be relieved of its contract. As I see it, their loss would be limited to their investment at that particular point, and from that, they would deduct anything they could salvage in their attempt to dispose of assets that had accrued. That is one point on which I would like the Minister to reply, namely, whether there are any memoranda between the company, the Government and the syndicate to more clearly define the true intentions of the financial commitments of all the parties.

I would invite the attention of the House to the fact, that whilst we understand that the Chase syndicate itself is a fairly loosely knit body of wealthy men, the E.P.A. Pty. Ltd. is a proprietary company presumably registered and incorporated in this State. If it is registered under the Companies Act, it will never have to make public its accounts and it will not be possible for members of this Chamber to ascertain the financial stability of this particular venture.

We presuppose, of course, that the syndicate being a wealthy one—and we also presuppose that the Government has investigated that side—it will be desirous of feeding into this project as much money as is necessary to carry out the developmental work. However, I do raise the point that being a proprietary company, its accounts will never be published. In the case of B.H.P., we have a very old established company and the accounts of that company are published by the law of the land. They are published at certain intervals and are available not only to the shareholders but to the public at large. It was possible for this House, therefore, when the B.H.P. agreement was before it for ratification, to be absolutely satisfied as to the financial stability of that concern. The same state of affairs existed in respect of the Anglo-Iranian Oil Co. which we know is a large British concern in which the British Government has a substantial interest.

I raise these points not by way of criticism of the venture, because we are all united in our desire that the developmental project will be successful. It is something in the nature of an experiment and with experiments there is always a degree of risk and adventure. It is possibly that point that prompted the Government to enter into such an unusual agreement because I can assure the Premier that the agreement has been referred to among the legal fraternity as an amazing document in view of the magnitude of the task being attempted.

There are several other queries on which I would like some information from the Minister. One is the question of the stocking of this area; another is the question of the fertiliser works supplies, and again there is the matter of the killing works. During the second reading debate on the Bill the member for Katanning attempted to give us a down to earth summary of the problems confronting a development scheme of this nature. He is a practical man with a lot of experience, and I thought it was rather unfortunate that the Minister for Lands should have attempted to ridicule the information he was trying to put forward. To me as a layman, and not a farmer, it was most interesting and highlighted to me something that had not been apparent to me regarding the problems of the stocking of an area of this magnitude.

The Minister for Native Affairs: He did not ridicule him; he said the information was not appropriate at that time.

Mr. COURT: The Minister did more. He was very critical of the member for Katanning when he was bringing forward, or trying to demonstrate to the members of the House, the problems of stocking an area of this nature. Now that the agreement is published and the facts are fully known, are we to assume that the Government will divulge to us its considered opinion of this problem, the basis of negotiations, and the plans it has for overcoming this problem in a manner that will ensure the necessary numbers of livestock, at the same time without completely dislocating the value of livestock in this State?

The fertiliser works present another problem. I can only assume that during the developmental stage the demand for super will be increasingly high and will be very considerable. It has been made apparent to us by the experienced farmer-members of this House, that this particular area will need a certain minimum quantity of fertiliser and that involves two problems. One is the production of the superphosphate and the other is transportation. Will the Government in its reply on this Bill give us its plan for handling this situation?

As I see it, we have a certain established production in this State. We have a certain pre-arranged supply of basic materials and these are things which we cannot quickly adjust. It is necessary to plan ahead not only in regard to basic materials but in regard to the manufacturing facilities. What the reserve capacity of existing plants is in this State, I do not know. Doubtless the Government has considered that. There is the problem of arranging the necessary supplies of the basic materials such as phosphatic rock, which have to be planned well ahead on what one might describe as a world basis, because of the restricted field from which these supplies can be obtained.

A further point arises in my mind. If this demand for superphosphate is to be made on our existing production facilities to a point of either straining these facilities or working them to capacity, what is going to happen the day the fertiliser works are established at Esperance? Does it mean that there will be a severe cutting back in the demand on our existing production facilities, which in turn could bring a degree of disorganisation? I think that is not an unerasonable request to make of the Minister in charge of the Bill. He should give us some advance idea, even if on a general basis, as to how the Government proposes to overcome this situation.

Then again, a further query is in connection with the taking up of this land. It proposes in the agreement that there will be selection and application for the land on the following minimum basis—not maximum, but minimum:—

Year 1—50,000 acres;

Year 2—Not less than 150,000 acres, including year (1);

Year 3—Not less than 250,000 acres, including years (1) and (2);

Year 4—Not less than 350,000 acres, including years (1), (2) and (3).

According to my reading of the agreement, that provision is to the 31st December, 1960. There is a further proviso that a total of 1,500,000 acres should be selected and applied for before the 31st December, 1961.

Does that mean that if the company sticks to the scale of selection and application—the minimum scale—it will by the end of December, 1960, have selected and applied for 350,000 acres, meaning that in one year—the year 1961—it would have to select and apply for 1,150,000 acres? No doubt there was some reason for this apparent unbalance in the rate of selection and application for land, and that is a further point on which I think we should be informed, because it would better enable members of the Opposition to understand what was in the Government's mind when it entered into that part of the agreement.

I said earlier that there were no penal provisions in the agreement. That calls for comment. I refer to the clause setting out minimum acreages to be applied for on this yearly table. So far as I see it, the only penalty is that the State will defer the granting of the land until a default is rectified. This, of course, could mean any time; it does not say that action will be taken to rectify this condition within a certain period and failure to rectify will involve a penalty of so much per acre or a lump sum as the case may be. There is a provision that within ten years after a permit to occupy has been issued for a parcel, to subdivide such parcel into holdings in accordance with plans of subdivision and to develop such holdings.

This provision in the agreement is not a penal provision. It is just a requirement of the agreement, and I have in my notes posed the question, if this development does not take place, apart from the delay in granting further lands referred to previously, has the Government the right to withhold the granting of lands in accordance with this agreement, if at any stage it considers that bona fide development has not take place? Further, members will appreciate that the company can apply for the whole of the 1,500,000 acres very quickly if it wants to, because the selection and application basis laid down is the minimum and not the maximum.

There is in Clause 5 of this agreement, reference to difficulties in establishing and maintaining water supplies or the presence of poison. This is referred to, in particular in paragraph (c) of Clause 5, where it says that the State may agree that the provisions of this clause should be amended so as to extend the period of subdivision and development for a term not exceeding five years. Maybe in the drafting it was not intended that paragraph (c) would apply to the whole of the 1,500,000 acres.

However, as I see it, it would mean just that; instead of referring to the land directly affected by the difficulty of maintaining or establishing water supplies or land affected by the presence of poison, it would refer to the whole scheme. It might be the intention of the Government that it will defer the whole of the period for the whole of the land; that is, the 1,500,000 acres. However, I think the intention of the paragraph should be to refer to land affected by the difficulty in maintaining water supplies or in regard to poison.

Hon. Sir Ross McLarty: Does the Government take that back?

Mr. COURT: According to the agreement, the Government can exclude such areas at the request of the company. It can agree to exclude such areas wholly from the operation of this agreement, in which case the area should be surrendered to the Crown and a refund made according to the purchase price.

In another part of the agreement there is reference to forestry development. Do I take it from this, that the Government has in mind a forestry development scheme of a major nature in this area? Is this more directly related to the protection of the area? There was Press reference to the fact that the Government had accepted certain responsibilities in respect of trees in this area, but I cannot recall reference to "forestry" in the ordinary meaning of the term.

Information on that point will be appreciated. If the Government does propose to make a major forestry development in this district, it is a vital point, because it could very beneficially affect the economics of this area under consideration. I am sorry, Mr. Speaker, that most of my speech is devoted to queries and questions, but I think you will appreciate that, in view of the nature of this debate and the circumstances, it must of necessity amount to a series of questions on the agreement under review.

In Clause 8, paragraph (a), there is reference to the Commissioner of Main Roads and it says he will not only construct, but will maintain developmental and access roads. There is a further reference to the fact, and I quote: "with funds accruing to the local authority of the area from land rates or vehicle licence

fees." Do I take it that the Commissioner of Main Roads will be taking over the whole of the revenue of the local authority accruing from these purposes? In other words, the Government will be undertaking that part of the local government's function during the whole of the agreement, or just for a limited period?

Also on the question of roads, there is reference to the obligation of the Government to construct and maintain the road from Albany to Esperance. Has the Government settled on the proposition that the Great Southern, and particularly Albany, will be the base, as it were, from which Esperance will be developed, and a great portion of the materials and supplies will be transported from the Great Southern, and particularly from Albany? This, of course, might be related to the superphosphate works at Albany; it might be related to the shipping facilities at Albany.

These are points of great interest to us on this side of the House, because they are directly related to the economics of the district during the developmental stages. It has a large significance, as far as I am concerned, and is something on which the Minister for Health might be helpful. I understand there is a tendency for that part of the State to lean a little towards South Australia in its buying and in its general geographical feelings.

The Minister for Health: Only from an economic point of view.

Mr. COURT: That is how I understand the position. The economics have been such that there has been a tendency to lean towards South Australia and, if my information is correct, ships do call in from the East at this juncture, but very rarely from the West. We would be interested to know whether the Government has anticipated this situation by tying up the economics and the transportation side of the venture to help Western Australia as distinct from a bias towards South Australia.

It is easy for people because of distance and transport to lean one way or another, and it may be that this road, if developed, is a definite attempt on the part of the Government to favour the western side of the State rather than the Eastern States. It would be bad for industry in Western Australia if there were even an unconscious bias in this area towards South Australia instead of to the western State. I am not concerned whether that bias is towards the metropolitan area, the Great Southern, the Goldfields, or any other part of the State so long as it is in Western Australia. Frankly I would prefer to see it towards one of the outer areas, such as Albany, thus bringing about further decentralisation from the metropolitan area.

If there is no conscious act on the part of the Government to tie up the transportation and economics of the area with Western Australia, as such, it could easily be that the bias could, unwittingly, develop towards South Australia. There are many people affected by this—not only our engineering works but the suppliers of the general needs of a district in its developmental stages.

On the question of the killing works that I touched on earlier, I would like to get some information from the Government as to what it considers to be the stage when an economic proposition—to quote the words from the agreement—can be envisaged in the terms of Clause 9. As I read the agreement, if the company never gets to the stage where it feels that an economic proposition can be substantiated, it has no commitment. It would be interesting to know at what stage an economic proposition will be achieved.

In the development of an area like this, it is important that the development facilities should be slightly ahead of the demand, and no doubt the company will have to establish a killing works slightly ahead of the full economic value of such works. It usually happens that just before we come to the full development of an area, we have to install certain facilities, and the development soon catches up with them so that they become an economic proposition. But as I read the agreement, the company is under no commitment to anticipate that state of affairs; and the Government, of course, has no obligation at all in this regard.

Under the killing works proposition, the Government has committed itself to provide the necessary ground and water, and I assume the Government has taken the precaution of making the necessary survey to ensure that it can meet this considerable water commitment. It would be a pity for such a part of the venture to break down because of lack of anticipation at this stage.

Finally, I would much like to know from the Government just what harbour facilities are envisaged at Esperance such as information as to the present capacity of the port so far as tonnage is concerned, and whether the Government has plans, to ensure that when the time for overseas export arrives, the port will be capable of dealing direct with overseas countries.

The Minister for Health: It is one of the best ports in Australia, I suppose.

Mr. COURT: I understand there is some argument about the actual workable depth at the moment. No doubt the Government has that all tied up. I do not know what the depth is, but I understand there is a limitation on the tonnage that can use the port.

The Minister for Health: At low tide the depth is about 37ft. at the end of the jetty.

Mr. COURT: Is there a navigable depth of 37ft.? I understood it was 24ft.

The Premier: It would take the "Queen Mary."

Mr. COURT: I understood that for safe usage the depth was 24ft.

The Minister for Health: That is the old jetty; the new jetty is 37ft.

Mr. COURT: I hope the Minister is right.

The Minister for Health: If the jetty is extended a few feet further out deeper water can be obtained.

Mr. COURT: I did omit to mention one important clause in the agreement and that is the one which makes provision for the company to receive, if it so requires, some 10,000 acres of land for residential purposes. This land will be outside the 1,500,000 acres of developmental land and will, in fact, be on the coastal fringe. I have tried hard to envisage why the company would require such a piece of land for residential purposes. I can understand that it would want a fairly decent sized lump of land in the port area for administrative and residential purposes, directly relating to its employees working at the headquarters of the scheme.

The Minister for Health: Would you not like to see some wealthy people from the U.S.A. making their residence there?

Mr. COURT: Nothing would please me better. Do we read into the agreement, and the Minister's interjection, that the syndicate is going to be more than a land development syndicate for primary production; that it is going to establish a miniature Miami or something of that nature in the Minister's electorate? It would, of course, be nice if we were to have wealthy people living in that part of Western Australia that the Minister considers to be the best in the State.

The Minister for Health: They could not get any better climate in the State.

Mr. COURT: That is open to some doubt; but I admire the Minister's loyalty to his own electorate. I think we are entitled to know more about this. From what the Minister has said, it appears that the 10,000 acres of residential land is being made available for purposes outside of those required for the ordinary administrative and residential needs of the company's employees, and that he does envisage a fairly large tourist and other such traffic. If this is what is in mind, we should know; we would be all for it, but at the moment I cannot see why the syndicate wants the 10,000 acres. I trust that the Minister in charge of the Bill will, when he replies, be able to answer some or all of the comments I have made.

HON. A. F. WATTS (Stirling) [9.21]: I do not intend to take up a great deal of time on this matter. I agree in substance with a great many of the points made by the last speaker, and I do not propose to reiterate them. I wish to deal with the superphosphate works. It will be remembered that I raised this question on the second reading. My remarks then were on the lines that I hoped that careful provision would be made in the agreement concerning the superphosphate works. I am disappointed to find that in the agreement the provisions in regard to the construction of such works are of what I might call a somewhat casual nature.

If one looks carefully at the agreement one finds that Clause 9 provides—

> The parties acknowledge that as development proceeds and sufficient areas come into production it is desirable that a fertiliser works should be erected as soon as the quantities of fertiliser used or likely to be used in the district make such works an economic proposition.

Then it goes on to say—

> The State agrees that it will as soon as practicable set aside for the company in the vicinity of Esperance:—
>
> (a) land which the parties hereto agree is suitable for the erection and operation of a fertiliser works.

Later the agreement states—

> The State shall:
>
> (a) within twelve months of the receipt of a notice in writing from the company that it or its nominee proposes to erect a fertiliser works to
>
> (i) transfer or grant to the company or its nominee at a reasonable price the land set aside for a fertiliser works.

Then it finally says—

> And the company agrees:
>
> (a) to erect a fertiliser works on the land so provided therefore by the State within a period of two years from the date of such provision.

If one studies this clause carefully it is apparent that the time of the erection of the super works depends on the time when the company asks for the land to be made available to it; not upon the time when the State reserves the area. It depends upon the time when the company asks for the land to be made available to it, and then the company has two years from that time in which to erect the super works.

So, while the State might have the land surveyed and reserved within, say 12 months from this date, the company may not ask for it to be vested in the company for a substantial period of, perhaps, two years thereafter; and only at the end of that period when the company made up its mind that it wanted the vesting of the land to take place, would the company be

in any way obligated, and then only at the end of two years, to provide the superphosphate works.

Mr. Hearman: What would happen if it did not provide them?

Hon. A. F. WATTS: So, as I interpret the agreement, after careful examination of this paragraph, if the company never asked for the land to be so vested in it, or provided for it, it would be under no obligation to erect any super works at all. I am not in a frame of mind to believe that the last thing is likely to happen, in view of the earlier provision in the clause that it is desirable that the works should be provided when they are an economic proposition. I can readily believe that it would be a substantial number of years, perhaps, before the company would ask for the land to be provided.

The quantity of superphosphate being used in Western Australia has been steadily rising over a considerable period of years, and the development which is taking place in other parts of Australia—and indeed around the Esperance district—at the present time is likely to cause the total consumption of superphosphate to rise still further. There is a growing tendency to use more superphosphate per acre for pasture purposes than in past years. In consequence, the consumption of superphosphate, without any additional developmental work, is likely to be maintained and probably increased. Now, at the present time, there is no very substantial surplus of superphosphate.

Broadly speaking, all the production the existing works are capable of, with the possible exception of Albany, is already taken up by the demand. I understand that Albany is capable of producing a few thousand tons more than it produces at the present time. For the sake of argument, let us assume that it can produce an extra 20,000 tons. Now, 20,000 tons at the rate at which it will have to be used on this land, according to the best advice I can obtain, would only, at the maximum, cover 240,000 acres; and this does not make any allowance for the private development which is going on not only there but also in what is known as the actual Albany zone.

In consequence, therefore, it can be safely assumed—as far as I can discover—that the figure of 240,000 acres is greater than will be likely to be served, of this company's development land, by what excess supplies of superphosphate can be obtained from that source without drawing on the supplies that are normally required by farmers and other users of superphosphate throughout the State.

As a result, it seems to me that, in the absence of any specific period or date on which the company has to make provision for its own supplies of superphosphate, through the fertiliser works envisaged by the agreement, it is distinctly possible that before any superphosphate works have been erected at Esperance the whole of the community using superphosphate, including the company itself, might be rationed to a percentage only, of their requirements.

Everybody knows that super is the lifeblood of primary production in Western Australia. It is certainly the lifeblood of primary production in the land in and around Esperance and some of the adjoining territories as well. Any diminution in the supplies that are available or any difficulty that may arise in obtaining those supplies at any period, will prove to be a severe blow to that and other areas of the State as well.

It certainly seems to me, upon a very careful examination of this agreement, for the reasons I have given, that there is nothing in the agreement to compel the company to erect a superphosphate works in any specified time. Whether it is an economic proposition does not seem to have much bearing on it either. That is a very difficult problem in itself supposing that were the datum point from where this thing starts. When is it an economic proposition to erect a superphosphate works? When it can sell 60,000, 80,000, or 100,000 tons? I simply do not know.

The Minister for Health: A local company has promised that when Esperance is capable of consuming 80,000 tons of super, it will erect a factory down there. It told me that a few months ago.

Hon. A. F. WATTS: Perhaps my careful treatment of this clause relating to the erection of a superphosphate works has secured me some information. However, I am obliged to speak on the agreement and that sets down that the company agrees to erect a fertiliser works on the land so provided. My point was, of course, that it need never have to erect a superphosphate works; and if it does not ask for the land, it need not build. Of course, if some other company is going to do the job or the difficulties that I envisage will not arise, that is a different proposition altogether. There is nothing in the document that I have here to tell me what the Minister has said, and there has been nothing said anywhere else. There is nothing left for me to do but to accept the agreement as it is.

I went to some pains—and I think quite fairly—to examine the clause in this agreement to ascertain what the position under it was likely to be. I would like to inform both the Minister for Health and the Leader of the House that there is considerable concern, as a matter of fact, among the consumers of superphosphate with whom I have come in contact in the last few days as to whether this matter has been dealt with sufficiently well to ensure that the possibilities I have mentioned will actually not come about. I will conclude my remarks on this aspect by saying that

it would have been better for everybody, I think—it would have saved a great deal of discussion and to some degree a lot of talking here—if the aggreement in this regard, anyway, had been a little more specific because surely it is a matter which is so fundamental to the primary production of Western Australia that no one would be prepared to leave it in the air as this agreement, to a very large extent, obviously does.

It may be, as the member for Nedlands has said, that there is some other memoranda or understanding between the Government and the company, but it is certainly not here in this agreement and I therefore cannot know anything about that other understanding, if it does so exist. I would also like to make a summary with reference to Clause 18 of this agreement which states—

> It is hereby agreed that the provisions of the State Transport Coordination Act, 1933-1953, or any amendment thereof will be administered so as not unduly to interfere with or hamper the transporting of goods to or from the said land.

I question the validity of the agreement of any undertaking such as this to override—as this apparently purports to do—the powers of the State Transport Coordination Board. It seems to me that while I do not know of the absence of restrictions or hampering it is proposed to place upon the company in regard to the transport of goods, it would not be lawful for the Government to promise anything without amending the State Transport Coordination Act to provide for it.

It is possible that the advice of the Crown Law Department has been sought on this matter. If that be so, I should be glad to know what its advice is. A number of my constituents would also be glad to have such a provision in an agreement between them and the Government because they consider that the State Transport Coordination Act does, very frequently, unduly interfere with, or hamper, the transport of goods to and from their land. For the life of me I cannot understand why such a delightful promise should be made to the company in question in this agreement, even if such a promise is a valid one.

So I take up two points. One is: Is it valid? and the other is: Is it proper? On the first one I express the opinion that it is not valid and, on the second, I express the definite opinion that it is not proper. Any organisation that comes to this State to carry on business in this State should be subject to the laws of this State and they should be applied to it in a connection such as this, anyway—when there are definite provisions in the law already under the State Transport Coordination Act—just the same as they should apply to any other individual.

I hope that some information will be forthcoming on the matters I have raised, particularly in regard to the superphosphate works because it is a most important part of this agreement, in my opinion. I subscribe very largely to the comments made by the previous speaker, but I do not propose to go over that ground which has taken long enough already and therefore I will conclude with these few remarks.

MR. PERKINS (Roe) [9.38]: Members will recall that on the second reading debate on the Bill I expressed some misgivings about the effect of this agreement on the Phillips River Road Board area if this company starts to develop the land from the eastern end and develops the most western portion of the area shown on the map. This is shown to be under option to the company at the end of the period mentioned in this form of agreement between the Government and the Chase syndicate. At that time I asked the Minister if he could give me any information as to what the plans of the company were in regard to this development.

Members will realise that approximately half of the western portion shown on the map comes within the area I represent. If, by any chance, the plans for development provided that development should proceed from the eastern end, working westwards to the western extremity, obviously it could be 10 or 15 years before that portion extending to the Jerdarcuttup River would be finally developed. Obviously that could have a serious effect on the general development of that portion of the Phillips River Road Board area. I was not expressing any selfish view then, but I am anxious to ensure that we do not get ourselves into a position by signing an agreement such as this wherein an area of land which is showing great promise is tied up, with no development taking place on a considerable portion of it, because of such agreement.

Since then I have had discussions with Mr. Chase and some of his colleagues, and I am now satisfied that the syndicate is going to examine the whole of the area very carefully indeed, and I feel confident that when that examination is made, a reasonably early start will be effected with some experimental work on the more westerly portion of the area shown on the map. The agreement is a very unusual one, and when one remembers the criticism levelled by the members sitting on the Government side of the House when agreements were entered into by the previous Government relating to development at Kwinana, one must admit that the wheel has turned full circle.

Hon. J. B. Sleeman: They are still criticising it.

Mr. PERKINS: If the member for Fremantle had any criticism to make of that previous agreement, I do not know what he has to say about this clause in this agreement because it leaves the position wide open and we are relying entirely upon the good faith of the Chase syndicate to do the right thing in regard to the development of this particular portion of land shown on the map.

Hon. J. B. Sleeman: We can produce the evidence on this one now.

Mr. PERKINS: I believe that one must have some faith in the good intentions of a body of men coming into the State to develop an area where a great deal of capital will be required and where there must be some uncertainty as to how the financial results will work out. It is all very well to say that all the problems have been investigated, but, of course, those of us who know anything about the development of a large tract of country, will realise that great problems must arise and nobody knows that better than members of the Chase Syndicate. I have found it quite stimulating to discuss some of these problems with them and it is quite obvious that they realise that unusual problems will arise.

It has already been announced that the first development to take place will be of an experimental nature. There are 1,500,000 acres involved in this project. Even in regard to data on rainfall, there are only about half a dozen efficient rain gauges in that area, and some of the records do not go back very far. We do know that the rainfall is absolutely reliable over a very large portion; on the other hand, no one can tell exactly what are the variations in the balance of that country.

If the Agriculture Department had acceded to the request I made several years ago for more rain gauges to be installed and for more experimental work to be carried out in various parts of that area, there would be very much more data to go on at present. The department has done practically nothing in the land between Ravensthorpe and Hopetoun. Rain gauges were sent to that area but the department refused to provide sufficient fuel to the farmers to service the gauges. It was suggested that they be placed 20 east and 20 miles west of Ravensthorpe, as well as in the tract of land between Ravensthorpe and Hopetoun.

Fortunately, many of those who have taken up land between Ravensthorpe and Hopetoun have much faith in that area and there is willingness on their part to conduct experiments. Like the Minister, I was in that district a fortnight ago. I would say that the results obtained in the first year are at least as promising as those achieved on the land at Esperance.

The Minister for Health: The potential is very great.

Mr. PERKINS: It so happens that between Ravensthorpe and Hopetoun nearly all the land, similar to the land in the Esperance Plain, has been alienated, except for the area allocated to the Chase syndicate under this agreement. By referring to the map one can see that the area under option extends to the Jerdarcuttup River which is within five miles of the Ravensthorpe-Hopetoun-rd. Members may understand my anxiety that the portion of land under option to the Chase syndicate should be developed in the reasonably near future, or else a part of it should be excised so as to allow settlers, who are anxious to develop land in that area, to acquire the land in the not too-distant future.

The discussions I have had with Mr. Chase and some of his associates lead me to hope that the company does intend to do the right thing. I am hoping that their representatives will, in the very near future, investigate the possibilities of the piece of land lying between the Jerdarcuttup River westward to where Mr. Noel White is doing such a good job on the Young River.

I want to make one point clear: Members who heard me speak during the second reading may have gained the impression that I have changed my views since. The only change has been brought about by discussions with Mr. Chase and some of his associates. I now feel very much happier with the position and have every reason to suppose that the development to be started in that portion will be as promising as any portion of the 1,500,000 acres held by that syndicate under option. In my view, the areas where most data is available and where the prospects are brightest, should be developed first, because the success or failure of this project will be considerably affected by public opinion on the first results.

The Minister for Health: Would it not be natural for the syndicate to do that?

Mr. PERKINS: That is what I am saying. For that reason, the Chase syndicate is doing the right thing by making a detailed investigation of the area under option as quickly as possible, and by developing the first portion as an experimental project for the purpose of obtaining data for future development. The necessity to do that reflects somewhat on our Agricultural Department. A considerably greater amount of data would have been obtained if the senior officers had been more willing to co-operate with those who were anxious to get experiments started a few years ago.

It is very important to the State that this project should succeed. From what I have seen so far, I have every confidence that the Chase syndicate is doing the right

thing to get development going as quickly as possible. I would remind members of the Government what they said on a previous occasion when they were on this side of the House and a much tighter agreement was made by the Government. On that occasion the Government came in for very severe criticism.

The Minister for Health: The two agreements are not comparable.

Mr. PERKINS: The agreement before us has far fewer safeguards to the State than the one I referred to. Under this agreement we are depending on the good faith of the syndicate entirely to develop this land. If it does not do the right thing, many of us would have great regret.

The Minister for Health: The syndicate cannot take the country away with it to America.

Mr. PERKINS: I am not suggesting that the syndicate could take the country away. I would point out that when the Government makes an agreement like that which binds the State for 15 years, it will be prevented from making an agreement with anybody else in respect of the same area for that period.

The Minister for Health: That land has been lying idle for 50 years and nobody has taken any interest in it.

Mr. PERKINS: Such large scale development does not take place overnight. I have been trying to tell the House that there is much development going on in that area at present. If any member is interested, I could arrange for him to have a look at the development that is being carried out by farmers from other areas of the State, and which development will bear favourable comparison with any to be found elsewhere in Australia.

The Minister for Health: They are doing a good job.

Mr. PERKINS: I cannot understand the point in the Minister's previous interjection.

The Minister for Health: This syndicate will do more for the State in ten years in respect of that land than the State would have done in 100 years.

Mr. PERKINS: The Minister is entitled to his own opinion. All I am doing is to repeat my previous offer, that is, to arrange for any member who is interested to go down to this area and to see what is being done by the farmers there. I have every reason to believe there are other people who are anxious to undertake similar development.

After discussion with Mr. Chase and some of his associates, I am convinced that the syndicate will do the right thing to develop this country properly. The indications are that the syndicate is going about the development very systematically. On the other hand, I do want to emphasise the point that so far as the agreement is concerned, it is entirely a matter of good faith. I hope that in future members now sitting on the Government side of the House will not twit the Government of the day for relying too much on the good will of people with whom it is dealing.

That is all I wish to say on the agreement. It is very largely a matter of relying on the good faith of the syndicate. If we are not convinced of the good faith of the syndicate members, we should not have anything to do with them. I again raise my greatest expectation of the area along the South coast being developed into a very valuable agricultural district. I hope that as time goes on, with the development by the Chase syndicate opportunities will be given to many of the young men in this State to be established in that area, who because of lack of capital, are not able to develop the land as it should be developed.

From my own knowledge, I would say that grazing properties in such high rainfall areas will take considerably more capital to develop than other areas in the mixed farming districts. The returns are slower but eventually the land builds up into very heavy carrying capacity units. But even in other areas where men have invested a considerable amount of capital, they have found it insufficient; and, as members have heard me say on previous occasions, many are in difficulties for want of a little further assistance. It is even more vital that areas such as the one under discussion in this agreement should have sufficient capital invested in them in the early stages in order to ensure success and to make sure there are no setbacks.

MR. OLDFIELD (Mt. Lawley) [10.1]: There are one or two things in the agreement entered into by the Government that are a little disturbing to me. First of all, there is nothing in the agreement making it mandatory on the company to establish either a fertiliser or a killing works at any time. The agreement says that the company shall erect either of these works within two years from the date of making application for land for a site on which they are to be erected, and the site shall be made available at a reasonable price. But there is nothing at all to say that the company shall make application for a site within any given time. This means virtually that the company may never erect either a fertiliser works or a killing works, because it may never make application for a site.

So I feel that possibly we could have entered into a slightly better agreement by insisting upon a clause in the agreement compelling the company to do those

two things within a reasonable period. I think the company would have entered into such an agreement. It is an American company which has come here not for our benefit. We will benefit indirectly, but the company is coming primarily to make profits for its investors. I do not think anybody in Western Australia would be under any impression other than that the Chase syndicate is coming here for its benefit and not for the benefit of the people of Western Australia. However, with all other reasonable people who try to take an intelligent interest in these matters, I am quite pleased to see the step that has been taken in this direction.

One fear I have is that, even if a fertiliser works or a killing works was established by force of agreement, there is no compellable clause to make them operate. I have in mind the history of a killing works at Darwin. I have never been there, and I am only repeating what is more or less hearsay. But I understand that a large overseas meat company in times gone by entered into a contract with the Commonwealth Government; and the agreement was that, in return for large leases of land in the Northern Territory suitable for grazing of cattle, the company would erect a killing works at Darwin. This it did, at a cost of £1,000,000. However, I understand that once the machinery was installed, it was well greased and covered up, and the killing works never operated. The company was prepared to write off that loss as a return for the long-term lease granted by the Commonwealth Government. So we have there one bitter experience of what people overseas are prepared to do in chasing high profits.

Nothing like that can happen in this instance, because the company is in a better position than the one I instanced, there being nothing in the agreement to say that it shall at any time make application for a site and, having done so, thereupon erect either a killing works or a fertiliser works. I believe that the company, in its own interests, will be forced to build a fertiliser works in the area because of the proximity of pyrites at Norseman, and the high cost of shipping—or, alternatively, transporting by rail—to the Esperance area superphosphate manufactured either in the metropolitan area or the Albany area.

Nevertheless, I feel it would have been an added safeguard to the general development of this area and for those people who, apart from the Chase syndicate, have ventured their own money and expended their energies in developing the area, if it had been established that those industries would appear in the area. However, I just want to record my slight disappointment in that direction; and, in conclusion, I hope that, for the future welfare of Western Australia, this scheme will prove successful.

THE PREMIER (Hon. A. R. G. Hawke—Northam—in reply) [10.7]: I very much appreciate the constructive approach to this subject by the Leader of the Country Party, the member for Nedlands, and the members for Vasse and Roe. Probably the least said the better in connection with the rather sour and bitter and party political approach to the subject by the members for Blackwood and Moore.

Hon. Sir Ross McLarty: Not nearly so bitter as your attacks on B.H.P. and the Anglo-Iranian Oil Co. Nothing to compare with them! You have nothing to complain about.

The PREMIER: I had intended to have a few words on that point a little later. But the Leader of the Opposition, by his interjection, seems to have made this the appropriate moment to do that. As I remember the Anglo-Iranian agreement, I supported it in the House and made some reference to what I considered to be some generous clauses in it. In the country I defended the then Government in regard to the agreement, and the expenditure of Government loan money under the terms of the agreement at Kwinana.

Even during the election campaign, I gave the then Government a goodly measure of credit for what that Government had achieved in relation to the agreement. So I think it can be said in connection with that particular agreement, that my attitude was reasonable and constructive; and from the party political point of view, I think it can be said that it was at attitude which could not fairly be criticised.

The central point of my criticism of the B.H.P. agreement was that the company, under the terms of the agreement, was being given control over all the worthwhile iron-ore deposits on our coastline for all time; and that all of the iron-ore was likely to be taken away from Western Australia and to be processed into steel in other parts of Australia. I said that in doing that, the Government of the time, and the Parliament of the time, were surrendering the best bargaining weapon Western Australia possessed for the purpose of trying to have established in this State a fully integrated iron and steel industry. I still stand very strongly by that criticism.

Mr. Court: Didn't they reserve sufficient to ensure that for the future of the State?

Hon. Sir Ross McLarty: One hundred thousand tons.

The PREMIER: There has been some criticism this evening of this Chase syndicate agreement on the ground that the syndicate is not legally bound to establish a killing works or a superphosphate works at Esperance. The criticism has

continued along the line that the discretion lies with the syndicate to decide when, if at all, such works are to be established. That criticism is quite bona fide and quite right legally within the terms of the present agreement. However, the same principle is to be found in the agreement with the B.H.P. company.

Legally, under the terms of that agreement, B.H.P. is obligated to investigate the technical possibilities of coking Collie coal. But in the event of the company being able economically to coke Collie coal, there is not any legal obligation of any kind upon the company to establish an integrated iron and steel industry in Western Australia. Complete discretion lies with the company, even in that event, to decide whether it will establish an industry of that kind in this State.

The Leader of the Country Party spoke of the superphosphate clause in this agreement. It is true the agreement leaves the discretion with the Chase syndicate or the company which has been formed to represent it in Western Australia as to whether, and when, these superphosphate works and meat-killing works will be established. In this regard, I would point out that this syndicate and this company are going to Esperance to carry out a very great land development scheme to produce wealth from the land. This is not a syndicate and not a company which are going to Esperance primarily or mainly to establish a superphosphate works or a meat killing works.

Obviously, in that situation, it would have been most unjust to demand of the syndicate that it bind itself legally to establish a super-manufacturing works and a meat-killing works. In the event of the Government having demanded that obligation to be placed upon the syndicate, I am confident the syndicate would have refused—and quite justifiably—to be legally bound down with an obligation of that character. Surely those concerned with the syndicate and with the company that represents the syndicate are entitled to be guided by events!

Surely it is a fair proposition to allow them to push on with the development of the land over which they now have control and to decide, in accordance with the progress they make, the time when a superphosphate works and a killing works should be established! I appreciate the anxiety of the Leader of the Country Party in regard to an adequate supply of superphosphate in this State for all purposes in the future, and I can assure him that the members of the syndicate are fully aware of the vital importance of adequate supplies of superphosphate for their purposes in the Esperance district.

They know from the study they have made of land development at Esperance and from what their own agricultural experts have told them, that land development at Esperance without adequate supplies of superphosphate could end in nothing but total and very substantial failure. If I remember correctly, Mr. Chase said to me that either he or some representatives of the syndicate had already had discussions with one or more representatives of the superphosphate works at Albany for the purpose of ensuring that adequate supplies of superphosphate would be available at Esperance in the early stages to meet the needs of the syndicate.

Mr. Bovell: Do they propose to use pyrites from the deposits at Norseman?

The PREMIER: If I remember correctly, again, I think the suggestion was made by Mr. Chase or one of his associates that it might be possible, by negotiation between representatives of the syndicate and of the superphosphate industry at Albany to come to some agreement under which a superphosphate works would be established at Esperance. In other words, that the Chase syndicate as such might not entirely of its own volition establish a superphosphate works at Esperance but that it might, in association with the Albany company, establish, when necessary, a large-scale superphosphate works at Esperance to supply the then total requirments of the Esperance district, and also a works which would be capable of substantial expansion in the future so that it might be in the position to meet the full superphosphate requirements of that area for many years to come.

Mr. Court: That would be quite bona fide within the terms of this agreement.

The PREMIER: It would, indeed.

Mr. Court: Were they satisfied that in the interim period they could get adequate supplies without dislocating the local market?

The PREMIER: I understand so. I was interested to hear what the Leader of the Country Party had so say about the present unused production capacity of the Albany superphosphate works. It was my privilege to officially open those works. I am relying now on my memory but at that time, which is not so very long ago, I think the representatives of the Albany industry told me that the works was capable of very substantial expansion on the basis of what was being produced at that time, so presumably the Albany works could, from the time the Chase syndicate starts to require superphosphate until the works is established at Esperance, be able to supply the necessary quantities of superphosphate from Albany to the syndicate at Esperance. I therefore think we may accept the situation in that regard as being provided for on a realistic basis.

Mr. Court: Does that include the importation of phosphatic rock or the use of local basic material?

The PREMIER: I believe the superphosphate works at Albany uses imported brimstone for the manufacture of sulphuric acid. But in the event of a superphosphate works being established at Esperance, I think that, beyond doubt, pyrites ore from Norseman would be railed to Esperance to produce the sulphuric acid required for the manufacture there of superphosphate.

Hon. A. F. Watts: It would be extremely strange if it were not.

The PREMIER: It would. I think that when Mr. Chase and his colleagues were here, representatives of the company at Norseman which produces the pyrites ore had some conference or consulation with them on this subject.

Hon. A. F. Watts: The reason why Albany was set up to use brimstone was that there was no direct rail communication with Norseman.

The PREMIER: I think that would certainly be the case.

Mr. Nalder: If Albany is to supply the needs of the syndicate for superphosphate, will there not be a transport problem?

The PREMIER: There are always problems associated with large-scale development. I do not think we should worry unduly about the problems that will develop. We have only to take our minds back perhaps 60 or 100 years and try to visualise the terriffic problems which people must have faced in those days in their endeavour to develop land and obtain a living from the soil—particularly in the outback areas—in order to realise that the problems that crop up today are by comparison, and on the basis of the means now available to deal with them, not at all severe.

Mr. Court: The main difference is that in the old days people solved their own problems, whereas now they rush to the Government for assistance.

The PREMIER: If there is one feature of this agreement more outstanding than another, I think it is to be found in the fact that the syndicate is not going to lean on the Government. I notice that the particular clause in the agreement which exempts the Government from having to find any money in regard to the development of this land, was not read out by any speaker on the other side of the House. Obviously, the syndicate and the company it represents have, to back them, financial resources of great magnitude and, consequently, they have no need to call on the Government for any great assistance and, in fact, have not done so.

I am positive that the problems such as that mentioned by the member for Katanning, which will arise from time to time, will not prove to be so very serious and will be overcome with a minimum of trouble and, I hope, in a minimum of time. The Leader of the Country Party referred to that clause in the agreement which deals with the Transport Act and any action which might be taken under it. As I understand that clause, it is in the nature of an assurance in regard to the administration of the Act rather than an attempt to override it or its provisions.

In other words, the appropriate clause in the agreement gives the syndicate and the company an assurance that the provisions of the Transport Act will not be used harshly against them in the operations which they will carry out in the south-eastern corner of the State. I would say that the syndicate and the company do not expect any preferential treatment and do not expect to be treated any better than the other farmers in that district. All they have sought is an assurance—and it is set out in the agreement —that the Transport Act will not be used with undue harshness against them in their operations.

I think more than one speaker has said straight out, or suggested, that the representatives of the syndicate had outmanoeuvred the Government greatly in regard to this agreement or, in our more common way of expressing it, that they had put it all over the Government. One member said that legal circles in Perth regarded the agreement as an amazing document.

Mr. Court: That is so.

The PREMIER: Of course it would be so. What do the legal circles in the metropolitan area know of great land development schemes? They would look at this document from the same angle as they would examine a document about the sale of a house by one person to another. But there is no comparison. Clearly when a document is drawn up to cover the development of a great area of land, it has to be considerably different from a document relating to the sale of a house from one party to another. A house is a fixed and certain thing and one can draw up a legal document in the strictest terms to cover the transaction of its sale, but in a great land development scheme such as this it is not possible to draw up a legal document in that form.

Clearly we have to allow for a considerable amount of discretion. This land development scheme at Esperance is of tremendous magnitude and will probably involve the syndicate in the expenditure of at least £15,000,000. In that situation we have to give the syndicate and the company elbow-room and breathing-space and opportunity to manoeuvre. I am sorry

about the attitude taken towards this subject by two members of the House. I first visited Esperance in 1929 and there was then plenty of hope and faith there about the land of the district and its worth and what could be done with it, but nothing was being done.

I remember meeting my colleague, the present Minister for Health, at Salmon Gums, perhaps a year or so afterwards and following which he soon became the Legislative Assembly member for the district. His voice cried out, year after year, for things to be done down there. He had tremendous faith in the wealth-producing capacity of the land in the Esperance district. When I used to talk to men who were regarded as experts in agricultural matters, and in land development, they did not seem to have much faith, if any, at that time, in the land at Esperance. More than one of them said to me that the land would not grow anything—it would not even grow trees—and land that would not grow trees was of no value.

Possibly on the information of a practical character which was available at that stage, their opinions and theories might have been well based. However, we know that scientific thought and scientific experiments have made amazing advances to land development and land productivity over the last 20 years or so. We know that much land in this State, and in other States, and I suppose in other countries, which was regarded prior to 20 years ago as valueless, is now regarded as valuable because of the application of trace elements and other factors. The quality and productive capacity of land has been revolutionised as it were; and this has happened in regard to the land at Esperance. Surely if there is one part of the State which deserves a break, it is that part in the Esperance area!

The land has been there for donkey years. It has been known to be capable of substantial production for, I should say, up to 20 years, but nobody has come forward with any great financial substance to take up any large areas of that land and to develop it on a widespread scale. In this regard I should inform the House that the Chase syndicate is not the first powerful financial group to have been interested in the area in recent years. Another powerful financial group developed an interest in the area. It sent its representatives to this State and they had discussions with members of the Government and experts from the land and agricultural departments. Those representatives were sent to Esperance, the land was inspected and local information was gathered down there. They weighed up the possibilities from every angle; they looked into costs of production and costs of transport and the rest of it and finally decided against investing their capital down there.

Mr. Court: Was that about two years ago?

The PREMIER: That would be about the time. So it seems to me, in all the circumstances, that we have considerable reason for satisfaction, as a people and as a Parliament for the fact that this other very powerful and wealthy group of people from another country have had this land at Esperance investigated by its own experts and has decided that it is prepared to invest at least £15,000,000 of its own money, in the development of the land.

Mr. Court: Are there any memoranda between the Government and the syndicate, in addition to this agreement, which specify such commitments?

The PREMIER: No, there are no such memoranda.

Mr. Court: The figure you suggest is purely the sum that has been discussed in the course of negotiations.

The PREMIER: Yes, and I think it is a figure which is realistic. Obviously, as this company proceeds to develop these large-scale areas down there it will have to invest huge sums of money, particularly in these days of high costs. The bona fides of the syndicate and the company have been clearly proven by the fact that it is going to work straightaway. The company has left in this State an agricultural expert of great standing and he is on the job already organising for ploughing to commence within the new few weeks. Clearly the syndicate is anxious to spend large sums of money, and to spend them quickly.

All of us, I suppose, if we had the choice would prefer to see British capital and British people doing this job. However, we have to give the Americans credit for one thing, if for no other, and that is for the fact that when they take on a job, they go to it in a very efficient and well-organised manner. I am sure that this group will be no exception to that rule.

I would like members of the House to understand that the Government just did not accept, in regard to this agreement, whatever the company or the syndicate put forward. In fact, the Government insisted on some provisions being put into the agreement about which the members of the syndicate were not keen. Those particular alterations were put in partly for the purpose of protecting those individuals who would take land from the syndicate or the company under lease. Our anxiety as a Government, in that connection, was that any person taking a lease of land from the syndicate or the company should take with it an option to purchase. That, of course, is now one of the principles in the agreement.

The members of the syndicate appeared to us to be genuine in their desire to develop this land piece by piece and as

quickly and efficiently as possible, and then to allow those who played a part in bringing about the development to have the opportunity of leasing living areas and, as a result of our insistence as a Government, to give those people the option to purchase the land as well as the right to lease it.

Many other questions have been raised this evening and I have tried to deal with what I considered to be the more important ones—the broader ones—and I am certainly not in a position to answer every question that was raised because a great deal of these negotiations were carried out when I was away at the Premiers' Conference. They were carried out as between the Minister for Lands, the Deputy Premier and Hon. F. J. S. Wise with expert officers of the Lands Department, the Department of Agriculture and Crown Law officers all taking part. I think the interests of the State are well safeguarded and I am almost convinced that in a period of eight or ten years from now, those who have bitterly criticised this agreement—and I think that applies to only two members of the House—will probably be trying to take on the fatherhood of the agreement themselves.

Question put and passed.

Bill read a third time and transmitted to the Council.

BILL—TRAFFIC ACT AMENDMENT (No. 3).

Report, etc.

Report of Committee adopted.

Bill read a third time and transmitted to the Council.

BILL—VERMIN ACT AMENDMENT (No. 2).

Message.

Message from the Governor received and read recommending appropriation for the purposes of the Bill.

BILL—PUBLIC SERVICE.

Message.

Message from the Lieut-Governor and Administrator received and read recommending appropriation for the purposes of the Bill.

Second Reading.

THE PREMIER (Hon. A. R. G. Hawke—Northam) [10.44] in moving the second reading said: Last year a Bill was introduced into this House to amend the Public Service Act for the purpose of setting up a Public Service Board to carry out the functions which, prior to and up to that time, were being carried out by the Public Service Commissioner. That Bill was debated in this House at rather short length because of the late period of the session at which it was introduced. I think, finally, the Bill was defeated on a very close division.

As a result of the defeat of that Bill, an amendment was introduced to the Public Service Act to allow of the appointment of a public service commissioner for a limited term, and that Act expires at the end of this current year. In the event of Parliament agreeing to the Bill now before the House, it will still be necessary for an amendment to be passed to the Public Service Act to allow the public service commissioner to be appointed for a period of, say, up until the 30th June of next year to allow of action to be taken to organise and set up the proposed public service board.

Any member of the House who wishes to read the debate which took place on the question of the appointment of a Public Service Board last year, will be able to do so in Volume 2 of the bound Hansard for 1955, commencing at page 1902. The Government is bringing forward this proposal to set up a public service board instead of continuing with a single public service commissioner, mainly with a view to trying to achieve greater efficiency within the Public Service. I think everyone will agree, without argument, that it is physically impossible for one public service commissioner adequately and efficiently to look after a public service of the size which we now have in Western Australia.

Quite clearly, one commissioner could only hope to become acquainted with part of the total of the Public Service. He could only become acquainted with the total Public Service by being out of date with part of it by the time he was up to date with the other half. The proposed public service board will be one of three persons. A chairman and one member would be appointed by the Governor-in-Executive Council. The third representative would be elected by members of the Civil Service Association through the medium of a secret ballot of members of that association. The reason for that last provision in the Bill is to give recognition, in a practical form, to the principle of employee representation in a situation of this kind.

With three members on the public service board, there would be a reasonable opportunity for the three men concerned to become fully acquainted with the whole Public Service. Presumably, each one of them would become acquainted with individual sections in turn. By virtue of this personal acquaintance at first hand with sections of the Public Service, they would be able to meet and confer; they would be able to inform each other's mind about those sections which particular members of the board would not be able to inspect

personally. As a result of this they would, all of them, become reasonably well acquainted with the total set up of the Public Service and they should be able to achieve a much greater degree of efficiency than would be possible under the present set-up of one public service commissioner.

If I thought for one moment that the passing of this Bill, and the establishment of this board would not achieve far greater efficiency within the Public Service than exists at the present time, I would take no action at all to try to have this measure passed through Parliament. However, I think every member would be able to realise quite quickly that it would be impossible for one public service commissioner to look after the efficiency of the whole of the Public Service. It is true that the present commissioner has inspectors, but they would not have the same authority or standing as would the members of this proposed board.

So almost the total argument which the Government puts forward in support of this proposal is based upon a desire and anxiety to establish greater efficiency within the Public Service. I think the Leader of the Opposition would know from experience that he, when he was in office, probably thought that the Public Service could be carried on quite as effectively with less personnel. I had the same thought myself.

Yet it is not even a bare possibility for a Premier, or even the Ministers of the Government as a whole, to become sufficiently well informed on matters of this kind as to be able to be certain of their ground, or even certain enough to try to initiate, or institute such action as they think might be justified in the circumstances. Therefore any Government has to depend very largely upon the public service commissioner under the present set-up; and would have to depend in the future on the public service board in the event of Parliament on this occasion setting up that board and passing the necessary legislation.

The tenure of office proposed for the members of the board is a period of seven years for the chairman, and a period of five years for each of the other members. The salaries of the members of the proposed board will be fixed by Executive Council. This is a change from the Bill that was introduced last year; that Bill contained specific rates of salary for the chairman and the other two members of the board.

As a result of practical experience, however, members of the Government have come to the conclusion that it is not wise to set out salaries in Acts of Parliament. The reason for that is that from time to time the basis of salaries within the Public Service changes; adjustments have to be made as a result of declarations by tribunals, or perhaps decisions by the Government itself. When those adjustments are made, it becomes necessary to come to Parliament on each such occasion to alter the salaries fixed by statute.

In that regard it might be worth while at some future date, though not this year, to give attention to the question as to whether statutory salaries where they continue to exist should not have some automatic adjustment which would occur whenever a movement took place in Public Service salaries or related salaries, to avoid Parliament having to be approached on every occasion. It would not be necessary for those officers covered by statutory salaries to wait on action by Government and Parliament before they could receive adjustments which, in all the circumstances, should be due to them.

Public service boards, similar to that proposed in this Bill, already operate in New South Wales, Victoria and South Australia. Before the Bill now before us was finally approved, considerable information was obtained from those three States regarding the setting up of their boards and also in connection with the operation of the boards through the years. Most of the methods adopted by the public service boards in the other States have been followed in regard to this Bill. Some modifications have been made, however, to suit the requirements of Western Australia.

In certain respects this Bill seeks more authority for the proposed board than is possessed at the present time by the Public Service Commissioner. For instance, the commissioner has only recommendatory power in respect of appointments, promotions, transfers and retirements. This Bill proposes to give the board authority to effect these matters up to a salary of £1,957 per annum, once all rights of appeal have been exercised. The Bill also proposes to give the board additional power to create and abolish posts up to the same salary level.

This, I think, would be acceptable to members of the Opposition who have been Ministers, because the acceptance of this part of the Bill by Parliament would reduce considerably the amount of detailed work that Ministers at present have to perform; and it would reduce considerably the number of papers going through Executive Council. Under the present set up, as the Leader of the Opposition would well know, Ministers have to be concerned with papers that deal with promotions and among other things these particular papers have to go through Executive Council as well.

It is thought that those activities could quite safely be performed by the board, thereby leaving the Ministers more time to deal with matters of policy and other important subjects. It is proposed to give

the public service board authority to hear all appeals in the first instance in respect of classification, promotion and punishment. Provisions similar to those at present prescribed in the Government Employees Promotions Appeal Board Act and the Public Service Appeal Board Act have been written into this Bill.

There will, however, still be a right of appeal to the Public Service Appeal Board in the following instances:—

(a) Where, following the general reclassification the decision of the Public Service Board in respect of an appeal is not unanimous;

(b) where, in respect of punishment, the penalty imposed is dismissal, a fine of £25 or more or a reduction of more than one grade;

(c) where, in respect of promotion, the decision of the Public Service Board is not unanimous;

(d) where, in respect of incapacity or unfitness, an officer is directed to retire or accept a transfer to another office.

For the purpose of hearing these appeals, the Public Service Appeal Board shall consist of a Supreme Court judge as chairman and a representative each of the Government and the Civil Service Association.

With regard to appeals in respect of promotion, it is proposed to extend the right of appeal to all officers except those in the administrative division and those in the professional division which have a maximum salary in excess of £2,357 per annum. Provision is made in the Bill for the Government to add to or subtract from this list of appealable positions, after consultation with the Civil Service Association. At present, a right of appeal lies only in respect of promotion in all divisions to positions which have a maximum salary below £1,958 per annum.

All rights of appeal will lie only in respect of officers who are members of the Civil Service Association. At present this stipulation does not apply to appeals in respect of classification or punishment. but it does apply to promotion appeals. The Bill also proposes several minor amendments. I need not refer to all of them, but only to a few. Parties to an appeal before the Public Service Board are not to be entitled to be represented by an agent or counsel.

Parties to an appeal before the Public Service Appeal Board are only to be entitled to be represented by counsel in appeals relating to punishment or retirement on the grounds of incapacity or unfitness. In other matters they may only be represented by an agent other than a legal practitioner. A fifth division, the Technical Division, is to be introduced to permit of greater refinement between professional, technical and general skills. More exhaustive definitions of the divisions is to be provided and greater emphasis is being placed on minimum entrance qualifications.

Because of the powers to be vested in the Public Service Board, it will be necessary to amend the following related Acts:—

Industrial Arbitration Act.
Public Service Appeal Board Act.
Government Employees (Promotions Appeal Board) Act.

For convenience, amendments to these Acts are contained in parts of a schedule to the Bill.

The chairman of the Promotions Appeal Board has drawn attention to the fact that certain State organisations which come under Commonwealth awards have no say in the selection of the union representative on the board. It is therefore proposed in this Bill to amend the definition of "Union" in Section 6 of the Government Employees (Promotions Appeal Board) Act to include the Australasian Transport Officers' Federation and the Association of Railway Professional Officers of Australia.

This Bill is rather large in size and certainly very much larger than the amending Bill to the Act which was introduced last year. As I explained at the beginning, the Bill which was introduced last year sought mainly to amend the then existing Public Service Act with a view to making provision for the establishment of the proposed public service board. The Bill now before us repeals the Public Service Act, amends it in certain respects in particular to make provision for the proposed public service board, and re-enacts most of the provisions of the existing Act. Those are the reasons why the Bill now introduced is very much larger in size than the comparatively simple amending Bill which we had before us about a year ago.

Members will find when studying this Bill, particularly when they compare it with the existing Public Service Act, that the new provisions introduced compared with the existing Act are not many in number. Only a few new provisions are of substantial importance. I believe I have already made reference to most of the important new provisions. In view of the fact that members who were in the House last year have had an opportunity of examining and studying the proposal to set up a public service board as against the single public service commissioner under the present set-up, they will not be required to give a great deal of consideration to this principle to enable them to make up their minds either for or against it.

Mr. Court: If I remember correctly, we did not have very much time last year to consider the principle owing to a series of events that cropped up.

The PREMIER: That is quite true.

Mr. Court: We thought you had abandoned the principle.

The PREMIER: I would remind the member for Nedlands that he has all the time between then and now to consider the principle. Probably he knows a great deal more about this Bill than he would have us believe. I would like to repeat the point that the main, if not the only, reason prompting the Government to introduce the proposed set-up of a public service board of three members, as against the present system of one public service commissioner, is an attempt to achieve the greatest possible degree of efficiency within the Public Service. In the event of this Bill becoming law I would be extremely disappointed indeed if the total personnel of the Public Service is not reduced somewhat within a year of the new set-up coming into being.

Hon. Sir Ross McLarty: The Bill also seeks to amend the Industrial Arbitration Act, apart from the Public Services Appeal Board Act.

The PREMIER: There is considerable room in the Public Service for rationalisation, if I might use that dreadful word which has been hammered to death over the years. From my own observations, which are not expert by any means, it seems to me that there could be far greater use made of the services of a number of those who are employed in the Public Service today. In these times, particularly when finance is difficult, it is essential that the greatest possible degree of efficiency should be established.

As the proposed public service board appears to members of the Government likely to prove in practice to be a practical contribution in that direction, the Government has agreed to introduce this Bill to Parliament. It is hoped that the Bill will receive the approval of both Houses and become law reasonably early in 1957. I move—

That the Bill be now read a second time.

On motion by Hon. Sir Ross McLarty, debate adjourned.

BILL—MENTAL TREATMENT ACT AMENDMENT.

Second Reading.

THE MINISTER FOR HEALTH (Hon. E. Nulsen—Eyre) [11.10] in moving the second reading said: The last Bill I had was rather large but this one is small and non-controversial. It is simply a Bill to give authority to the Inspector General of Mental Health Services to transfer patients from one place to another.

The object of the Bill is to enable the Inspector General to authorise the transfer of patients from one hospital or reception hospital to another and is required in order to authorise the transfer of patients to the new hospital known as Montrose House, which is to be opened before the next session of Parliament. That is the reason why I have brought the Bill down this year, otherwise it could have been left until next year.

The Bill has been prepared as a result of a request by the Inspector General of Mental Health Services. An amendment to the principal Act is necessary so that the transfer of a patient from one reception hospital to another reception hospital may be effected. The Lunacy Act has provision for transfers. However, this does not cover reception hospitals.

Owing to acute pressure on Heathcote Reception Home and the necessity to provide more accommodation, the department has had to look around for additional premises. It was decided to convert the hospital treatment ward—commonly known as the Davies-rd. block—at Claremont Mental Hospital to a reception hospital under the Mental Treatment Act, 1927. This building was built in 1940 to be used as a hospital ward for Claremont Mental Hospital to accommodate 30 male and 30 female patients.

As the war was then in progress, difficulties in staffing it arose. At that time the military authorities were very short of good general hospital accommodation and the building was requisitioned by them. The building was handed back to the Public Health Department at the end of 1943. Complete renovation was carried out by the Public Works Department. In 1945, owing to the crowded state of the female wards at Claremont, the building was occupied by the quieter and more responsible female patients who needed little supervision.

After the war ended the need for accommodation for ex-servicemen became pressing as Lemnos Hospital was overcrowded. Arrangements were then made so that half of the relatively new ward would be set aside for ex-servicemen. This was only a temporary measure until such time as further accomodation was built at Lemnos Hospital. Ex-servicemen are now being transferred to the new block recently completed at Lemnos and the Public Works Department is going ahead with the conversion of the ward at Claremont to a reception hospital.

Authority is given in the Bill for the Inspector General to order the transfer of a person from one reception hospital to another.

Mr. May: Will it be done in consultation with relatives?

The MINISTER FOR HEALTH: It generally is done with consultation, but not in all cases. If relatives were consulted in all cases, we would have over-crowding in some parts.

Mr. Lawrence: Does it refer to males or females?

The MINISTER FOR HEALTH: Males and females.

Mr. Nalder: What is the location?

The MINISTER FOR HEALTH: Between Lemnos and the Claremont Mental Hospital and there is accommodation for men and women. I move—

That the Bill be now read a second time.

On motion by Mr. Crommelin, debate adjourned.

BILL—FRIENDLY SOCIETIES ACT AMENDMENT.

Second Reading.

Debate resumed from the 20th November.

MR. ROSS HUTCHINSON (Cottesloe) [11.16]: I do not like this Bill very much at all. I have not yet been able to fathom why it is necessary for friendly society dispensaries to trade with the general public. In this field of pharmacy, private enterprise caters very well for individual needs and the requirements of the public. It has been found over the years that chemists and pharmacists have pioneered their branch of industry and have provided a helpful service in a beneficial way to the public.

This Bill, in what it endeavours to do, strikes across private and free enterprise in that it would give a form of socialism a decided advantage. Mention was made in the introductory speech of the Minister for Works to the point that because these friendly society dispensaries pay taxation, they should be entitled to the privilege of trading with the general public.

Mr. Norton: Wouldn't they be a co-operative movement?

Mr. ROSS HUTCHINSON: It is a fact that taxation is to be imposed upon friendly society dispensaries, and I believe they will pay income tax of 6s. in the £ on 10 per cent. of gross sales up to £50,000. It is, of course, a flat rate, and whilst it is a form of taxation, it is a privileged form and not comparable with taxation imposed on individual chemists. I am led to believe that so far as taxation goes, up to the present time no friendly society dispensary in this State has been assessed for taxation purposes, or they have not paid taxation as yet.

As has been pointed out, this Bill gives friendly society dispensaries power to trade with the public. They can at the present time open up as many branches as they like. If that follows the pattern it did in Adelaide, it could be disastrous to the pharmaceutical industry. In Adelaide a mother dispensary was formed and subsequently 22 branches were established. I feel that I would be much more amiably disposed to the Bill if a pegging clause was introduced in the Committee stages such as exists at the present time in the States of South Australia, New South Wales and Tasmania. By a pegging clause, I mean that open trading rights, as specified in the Bill, should be granted only to those friendly society dispensaries that are now in existence.

The danger in regard to trading rights, as I see the position is this: These dispensaries would provide a ready-made vehicle, available at will, for carrying a socialised pharmaceutical industry. As far as we on this side are concerned, that is a most objectionable possibility. I am not at all happy with the Bill. It is quite obvious that the Government will have no trouble in having it passed through the second reading stage so that it will go into Committee. I hope that when it is in Committee a pegging clause will be inserted.

I am also led to believe that the United Friendly Societies of Australia has accumulated funds to the extent of approximately £2,000,000 as a result of its trading activities. I understand it is anxious to invest its money in expanding its services.

Mr. Norton: It gives a good service, too.

Mr. ROSS HUTCHINSON: I have no objection to dispensaries being formed for the purpose of giving service to the members of friendly societies, but where the service impinges, unnecessarily, upon the people who carry the industry and who have pioneered it in many parts of the State, I think there is an objectionable quality about it. I cannot understand why the Minister for Works said it was essential for the friendly society dispensaries to make additional profit. I thought they were a non-profit making concern. I cannot see why they want to extend their activities. In the circumstances, these dispensaries could provide the vehicle whereby socialisation would hit the pharmaceutical industry.

The general public will not benefit at all from the Bill; only the friendly society members will benefit from it, and, of course, we have no objection to that. I point out that in certain regions these dispensaries join together and buy in bulk and so are able to trade unfairly as against the individual chemist. It is my intention to oppose the Bill, and although it is impossible for it to be defeated, I trust that we will fight it every inch of the way.

MR. HEAL (West Perth) [11.25]: I support the second reading of the Bill. As the Minister and the member for Cottesloe have explained, the intention is

to allow the friendly societies to extend the service provided by their dispensaries to the general public. The Minister emphasised the fact that the Act controlling friendly societies prevents them from extending their activities. He pointed out that there were seven friendly society dispensaries operating throughout Western Australia.

If members look at the Pharmacy and Poisons Act, they will find that it contains a provision which prevents further friendly society dispensaries from opening in this State. We just heard the member for Cottesloe say that at the present time they can open as many dispensaries as they desire. I have had a look at two or three legal opinions on this point and they are to the effect that the Act does not restrict the friendly societies from opening further dispensaries. I think the secretary of the friendly societies indicated to the Chief Secretary that it is not their intention to open any more shops in Western Australia and he doubts whether they ever will.

Many chemists in my district—and I am sure throughout the metropolitan area—have approached members—they have me—because they are concerned that if the amendment becomes law—I sincerely hope it does—the friendly societies will be able to open a chain of dispensaries throughout the metropolitan area. I point out that under the Pharmacy and Poisons Act, chemists are allowed to operate, at the most, only two shops—they are restricted in their line of trade.

I have indicated to the Minister for Works, who introduced the Bill in this Chamber, that, during the Committee stage, it is my intention to move an amendment to prevent the friendly societies from trading further with the general public. My proposition will, in effect, allow only the seven dispensaries now operating to trade with the general public. If the friendly societies, in their wisdom, decide to open further dispensaries, those shops will, if my amendment is successful, be able to trade only with friendly society members. I support the second reading of the Bill.

MR. LAWRENCE (South Fremantle) [11.28]: I feel I should say a few words on the measure. I oppose the Bill because it means that the opening of further dispensaries would naturally be against the policy of the people who sit in opposition to the Government. I oppose it, not that I oppose the suggestion that the Bill should be read a second time, but on the ground that any amendment to the Bill should be opposed. It is well for members to go fully into the question and find out how many chemists and how many friendly societies we have in the State. To my knowledge we have seven friendly society dispensaries operating throughout Western Australia. I think the last one was established 25 years ago.

As the member for West Perth pointed out it is not, at the moment, intended to create further friendly societies, but I think this should be a wide open matter. Let us have it on a wide and equitable basis where everyone can have a fair go in competition in fair trade which, I believe, is the policy of the party opposite.

Today I understand that there are 238 chemists trading in Western Australia and it is probable that there is a large number of young people at present going through college and university to qualify themselves in this profession. If we do not open up the field to these students, of whom I understand there are about 162 at present, where are they to find employment? The friendly societies could possibly, if allowed to expand, employ quite a number of them. I support the second reading but will have more to say during the Committee stage.

MR. COURT (Nedlands) [11.31]: Like the member for Cottesloe, I am opposed to the Bill because I think it seeks to achieve an undesirable principle. When introducing the measure the Minister for Works assured the House that it was not the intention of the Government in any way to expand the activities of the existing friendly societies.

The Minister for Transport: How could the Government do that?

Mr. COURT: I mean to expand the number of places of business at which they could trade on an open basis.

The Minister for Transport: But the Government does not do that; it is up to the friendly societies.

Mr. COURT: I do not know whether the Minister for Transport heard the speech of the Minister for Works when introducing the Bill, but I think that during that speech he indicated that there was a misunderstanding or a doubt as to the legal significance of the provision in the Pharmacy and Poisons Act in respect of this matter. The Act can be read in such a way as to give the impression that it contains all the restrictive provisions necessary and that this Bill would merely open the door for trading at the existing establishments of the friendly societies.

The Minister in another place—as well as the Minister for Works—explained that it is not the Government's intention to extend the ramifications of the existing friendly society establishments, although they could extend, of course, to dispense medicines for their own members. However, it is in respect of the open trading that we have been told they are to be restricted.

The Minister for Works said that if, on an examination of the legal opinions, the Government was satisfied that the claims of the pharmaceutical chemists were correct, namely that the Bill, taken in conjunction with the Pharmacy and Poisons Act, would open the door completely—he would be prepared to have an amendment moved to ensure that there would be a restriction, and I am pleased that the member for West Perth has intimated that he intends to move such an amendment to place a restriction on the number of open chemists shops to be conducted by the friendly societies.

Mr. Lawrence: What right have you to say that?

Mr. COURT: The word of the member for West Perth.

Mr. Lawrence: On a point of order, Mr. Speaker, how can the hon. member indicate to this House that he has heard something outside and that an amendment will be moved?

The SPEAKER: I cannot see that there is a point of order involved.

Mr. Lawrence: He has said he has been to certain members and that he has been told something.

The SPEAKER: The member for Nedlands is dealing with the speech of the Minister for Works who introduced the Bill and I think that is relevant to the debate. There is no point of order.

Mr. COURT: I was merely commenting on what the Minister for Works said and on the comments, more recently, of the member for West Perth, who told the House that he intends to move an amendment on the lines I have indicated. There are several other aspects of the measure which must be taken into account and the most important is that the pharmaceutical chemists, or what are known as qualified chemists, are restricted under Section 17 of the Pharmacy and Poisons Act to having no more than two places of business concurrently, and that is a most desirable restriction, but it does not apply to friendly societies and companies.

Companies are effectively limited by Section 44 of the Pharmacy and Poisons Act so that they cannot extend further. But that restriction does not apply to friendly societies and it is on that point that some confusion of thought arose in another place. There are three opinions on this matter from some highly reputable legal men, on different dates, and they have all arrived at the same conclusion independently—that a correct reading of the Pharmacy and Poisons Act, Section 44, is that while companies are effectively restricted by the existing law, friendly societies are not.

The Minister for Transport: Why should they be?

Mr. COURT: As it is the intention of the Government that there should not be an unlimited extension of open trading by the friendly societies, and as I understand that is also acceptable to the friendly societies themselves, I think the amendment foreshadowed by the member for West Perth is desirable. The friendly societies could still open where they liked, to dispense for their own members, and we raise no objection to expansion of that nature. The amendment envisaged by the member for West Perth takes some of the sting out of my opposition to the Bill.

Another important point relates to taxation. The method of taxing friendly societies is a special one which was introduced by the Commonwealth Government when there occurred a change in the status of these dispensaries arising from the Commonwealth's social services legislation. I desire to amplify some figures given earlier because I do not think they properly state the taxation position. The provision can be summarised as follows; Income, for taxation purposes, in this case is regarded as 10 per cent. of the turnover, excluding subscriptions. The rate of tax is fixed at 6s. in the £ up to £5,000 and 8s. in the £ for any income, as assessed, in excess of £5,000. In other words, for all practical purposes they are taxed as a private company. Income under the Income Tax Assessment Act is based on 10 per cent. of the total turnover, excluding subscriptions, and the tax is levied on that figure at these fixed rates, there being no graduated scale. I am opposed to the Bill, but in view of the amendment foreshadowed, I do not propose to vote against the second reading.

HON. A. F. WATTS (Stirling) [11.40]: When the Minister for Works introduced the Bill he said quite plainly that he had been under the impression that the existing state of the Pharmacy and Poisons Act ensured that no further friendly societies dispensaries could dispense with the general public; but during that day or the day previous to his moving the second reading, some doubt had been raised in his mind because of discussions he had had, and if there was any doubt about it he was prepared to agree to an amendment which would make it perfectly clear that further friendly societies dispensaries could not come under this measure, except insofar as they dispensed with their own members.

In other words, he was prepared that there should be no extension of their activities in regard to the general public. That is what I understand the member for West Perth desires to make sure, and that is what is very necessary so far as I am concerned.

Mr. Lawrence: Are you having regard for Section 44?

Hon. A. F. WATTS: I do not think Section 44 clears up the trouble. I do not think that section is definite enough and, if I understand aright, that is the point which was in the mind of the Minister for Works as a result of the discussions he had after the Bill left another place, and before he introduced it here. He had become so uncertain about it that he was willing to undertake that an amendment to clarify the position would be acceptable to him.

So I presume we will have no difficulty in carrying that amendment. If it is carried, I shall be able to continue to support the Bill at subsequent stages and I propose to vote for the second reading in order that the amendment may be put before us. If it is satisfactory, and it is carried, I think there is no further objection to the Bill which would warrant my attempting to have it rejected. If the amendment is not carried, or if it is carried but it is not sufficient to cover this point, I shall have no option but to oppose the subsequent stages of the measure.

MR. TOMS (Maylands) [11.43]: I rise to support this Bill because I believe that it is a very necessary measure when taking into consideration the fact that friendly societies are now subjected to taxation. I would like to point out to members that I have, for some considerable time, been associated with friendly society work and I know it is the desire of friendly societies to have their established dispensaries able to trade with the general public. There is no particular desire on their part to extend the activities of these dispensaries. All they want is to give the existing dispensaries the right to trade with the public.

The fear of the Pharmaceutical Guild has been that it will become, as has been referred to in this House, an open slather. The remarks of the Minister for Works, when introducing the measure, were to the effect that the object of the Bill was to allow only existing dispensaries to come under this provision. I feel that the Leader of the Country Party need have no worries as regards that amendment because it will satisfy both parties—and by both parties I mean the friendly societies and the Pharmaceutical Guild.

I would also point out that now our friendly societies dispensaries are subject to taxation, this is the only State in the Commonwealth where open trading with the public by those dispensaries is not permitted. I feel that this is a necessary measure and it will bring Western Australia into line with the other States. I support the second reading.

Question put and passed.

Bill read a second time.

DISCHARGE OF ORDERS.

On motions by the Premier, the following Orders of the Day were discharged from the notice paper:—

1, Native Welfare Act Amendment Bill.

2, Resolution: Railways, discontinuance of certain lines, Council's message.

BILL—BELMONT BRANCH RAILWAY DISCONTINUANCE AND LAND REVESTMENT.

Second Reading.

THE MINISTER FOR TRANSPORT (Hon. H. E. Graham—East Perth) [11.48] in moving the second reading said: This Bill has already been agreed to by the Legislative Council. Its purpose is to close the short length of railway line between Bayswater and Belmont which has been used almost exclusively for the handling of race traffic and which line has not been in operation since the end of 1955 because of a fire which occurred at a bridge over the river.

It has been found that the patrons of the W.A.T.C. are able to attend the course by way of road transport and there is only one industrial concern that made any use of the line; it, too, has been able to make satisfactory alternative arrangements. In addition, it would cost the Government £83,000 to make the line suitable for traffic and to effect repairs to the bridge.

In view of all the circumstances, there is no necessity for this line to remain in existence. In addition, the closing of the line by Parliament will provide the added benefit of enabling certain of the land to be made available to the Western Australian Turf Club in order that improvements can be made to the racecourse ground. I have nothing else to say on this matter except perhaps that this may be regarded as a preliminary canter for other things to come.

Mr. Heal: There is alternative transport operating, is there?

The MINISTER FOR TRANSPORT: Yes, the line has been out of existence for the past 12 months.

Mr. Court: This line is not likely to become part of any subsequent connection from one system to another?

The MINISTER FOR TRANSPORT: No, it was thought at one stage it would be, but I am assured now that the system does not require it and, indeed, the Railways Commission is anxious that Parliament should close the line so that the materials obtained from it can be put to some other use. I move—

That the Bill be now read a second time.

On motion by Mr. Toms, debate adjourned.

House adjourned at 11.52 p.m.